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Washington, Tuesday, October 25, 1955

TITLE 3—THE PRESIDENT

PROCLAMATION 3120

NATIONAL DAY OF PRAYER, 1955

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS all of those whom we have revered as leaders throughout our history have been wont to turn to Almighty God in thanks for His providence and in suppliance for His guidance; and

WHEREAS it is fitting that we of this generation, who are the heirs of their handiwork, should emulate those inspired builders of our Nation and should turn our hearts and minds to things spiritual; and

WHEREAS, recognizing that prayer has been a vital force in the growth and development of our country, the Congress, by a joint resolution approved on April 17, 1952, provided that the President should set aside and proclaim a suitable day each year, other than a Sunday, as a National Day of Prayer, on which the people of the United States might turn to God in prayer and meditation:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby proclaim Wednesday, the twenty-sixth day of October, 1955, as a National Day of Prayer; and I ask each of our people on that day wherever he may be—at church, home, factory, or office—to pray particularly for God's blessing upon the councils of those who labor for increased international understanding, and upon the efforts of all men who strive for a just and lasting peace.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this eighteenth day of October in the year of our Lord nineteen hundred [SEAL] and fifty-five, and of the Independence of the United States of America the one hundred and eightieth.

DWIGHT D. EISENHOWER

By the President:

JOHN FOSTER DULLES,
Secretary of State.

[F. R. Doc. 55-8646; Filed, Oct. 21, 1955; 1:40 p. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 24—FORMAL EDUCATION REQUIREMENTS FOR APPOINTMENT TO CERTAIN SCIENTIFIC, TECHNICAL, AND PROFESSIONAL POSITIONS

SOCIAL WORKER (CHILD WELFARE)

The head note of § 24.57 is amended to read as follows:

§ 24.57 *Social Worker (Child Welfare), GS-185-7-9-11.*

(Sec. 11, 58 Stat. 390; 5 U. S. C. 660)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 55-8606; Filed, Oct. 24, 1955; 8:53 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

Subchapter B—Loans, Purchases, and Other Operations

[1955 C. C. C. Grain Price Support Bulletin 1, Supp. 2, Corn]

PART 421—GRAINS AND RELATED COMMODITIES

SUBPART—1955-CROP CORN LOAN AND PURCHASE AGREEMENT PROGRAM

The 1955 C. C. C. Grain Price Support Bulletin 1 (20 F. R. 3017 and 4563), issued by the Commodity Credit Corporation and Commodity Stabilization Service and containing the regulations of a general nature with respect to price support operations for certain grains and other commodities produced in 1955 was supplemented by 1955 C. C. C. Grain Price Support Bulletin 1, Supplement 1, Corn (20 F. R. 4104 and 7413), containing specific requirements applicable to price support operations on the 1955 corn crop. These regulations are further supplemented as follows:

§ 421.1146 *Support rates*—(a) *County support rates.* (1) Basic county support rates for corn placed under loan and for corn delivered under purchase

(Continued on p. 7979)

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THE PRESIDENT

EXECUTIVE AGENCIES

FEDERAL REGISTER

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CONTENTS—Continued

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

CODIFICATION GUIDE—Con.

agreements are as set forth in this paragraph. Farm-storage and warehouse-storage loans, and purchases under purchase agreements, will be made at the support rate established for the county in which the corn is produced.

(2) Basic county support rates per bushel for corn grading No. 3, except for moisture, or No. 4 on the factor of test weight only but otherwise grading No. 3 or better, except for moisture, are set forth below:

ALABAMA

County	Rate per bushel
All counties	$1.31

ARIZONA

County	Rate per bushel
All counties	$1.35

ARKANSAS

County	Rate per bushel	County	Rate per bushel
Arkansas	$1.30	Jefferson	$1.30
Ashley	1.30	Johnson	1.25
Baxter	1.24	Lafayette	1.28
Benton	1.24	Lawrence	1.25
Boone	1.24	Lee	1.30
Bradley	1.30	Lincoln	1.30
Calhoun	1.30	Little River	1.26
Carroll	1.24	Logan	1.25
Chicot	1.30	Lonoke	1.28
Clark	1.27	Madison	1.25
Clay	1.24	Marion	1.24
Cleburne	1.27	Miller	1.27
Cleveland	1.30	Mississippi	1.24
Columbia	1.29	Monroe	1.30
Conway	1.27	Montgomery	1.25
Craighead	1.26	Nevada	1.28
Crawford	1.25	Newton	1.25
Crittenden	1.28	Ouachita	1.29
Cross	1.28	Perry	1.27
Dallas	1.29	Phillips	1.30
Desha	1.30	Pike	1.25
Drew	1.30	Poinsett	1.27
Faulkner	1.27	Polk	1.25
Franklin	1.25	Pope	1.25
Fulton	1.24	Prairie	1.28
Garland	1.25	Pulaski	1.27
Grant	1.28	Randolph	1.24
Greene	1.25	St. Francis	1.30
Hempstead	1.27	Saline	1.27
Hot Spring	1.27	Scott	1.25
Howard	1.25	Searcy	1.25
Independence	1.27	Sebastian	1.25
Izard	1.25	Sevier	1.25
Jackson	1.27	Sharp	1.25

ARKANSAS—Continued

County	Rate per bushel	County	Rate per bushel
Stone	$1.25	White	$1.27
Union	1.30	Woodruff	1.28
Van Buren	1.27	Yell	1.25
Washington	1.25		

CALIFORNIA

County	Rate per bushel
All counties	$1.39

COLORADO

County	Rate per bushel	County	Rate per bushel
Adams	$1.22	Larimer	$1.22
Alamosa	1.24	Las Animas	1.22
Arapahoe	1.22	Lincoln	1.22
Archuleta	1.26	Logan	1.20
Baca	1.22	Mesa	1.20
Bent	1.22	Moffat	1.28
Boulder	1.22	Montezuma	1.23
Cheyenne	1.21	Montrose	1.23
Conejos	1.24	Morgan	1.21
Costilla	1.22	Otero	1.22
Crowley	1.22	Ouray	1.23
Custer	1.22	Phillips	1.19
Delta	1.28	Pitkin	1.20
Dolores	1.29	Prowers	1.21
Douglas	1.23	Pueblo	1.22
Elbert	1.22	Rio Blanco	1.28
El Paso	1.23	Rio Grande	1.26
Fremont	1.23	Routt	1.26
Garfield	1.28	Saguache	1.24
Grand	1.24	San Miguel	1.29
Huerfano	1.22	Sedgwick	1.19
Jefferson	1.23	Washington	1.20
Kiowa	1.21	Weld	1.21
Kit Carson	1.20	Yuma	1.19
La Plata	1.28		

CONNECTICUT

County	Rate per bushel
All counties	$1.40

DELAWARE

County	Rate per bushel
All counties	$1.74

FLORIDA

County	Rate per bushel
All counties	$1.32

GEORGIA

County	Rate per bushel
All counties	$1.31

IDAHO

County	Rate per bushel
All counties	$1.29

ILLINOIS

County	Rate per bushel	County	Rate per bushel
Adams	$1.59	Henderson	$1.58
Alexander	1.64	Henry	1.59
Bond	1.61	Iroquois	1.60
Boone	1.60	Jackson	1.63
Brown	1.60	Jasper	1.61
Bureau	1.60	Jefferson	1.61
Calhoun	1.60	Jersey	1.61
Carroll	1.58	Jo Daviess	1.58
Cass	1.61	Johnson	1.63
Champaign	1.59	Kane	1.61
Christian	1.61	Kankakee	1.60
Clark	1.60	Kendall	1.60
Clay	1.61	Knox	1.60
Clinton	1.61	Lake	1.61
Coles	1.59	La Salle	1.60
Cook	1.61	Lawrence	1.62
Crawford	1.61	Lee	1.60
Cumberland	1.60	Livingston	1.60
De Kalb	1.60	Logan	1.61
De Witt	1.60	McDonough	1.59
Douglas	1.59	McHenry	1.60
Du Page	1.61	McLean	1.61
Edgar	1.59	Macon	1.60
Edwards	1.62	Macoupin	1.61
Effingham	1.61	Madison	1.61
Fayette	1.61	Marion	1.61
Ford	1.59	Marshall	1.61
Franklin	1.63	Mason	1.61
Fulton	1.60	Massac	1.63
Gallatin	1.63	Menard	1.61
Greene	1.61	Mercer	1.58
Grundy	1.60	Monroe	1.62
Hamilton	1.62	Montgomery	1.61
Hancock	1.59	Morgan	1.61
Hardin	1.63	Moultrie	1.59

ILLINOIS—Continued

County	Rate per bushel	County	Rate per bushel
Ogle	$1.59	Shelby	$1.60
Peoria	1.60	Stark	1.60
Perry	1.62	Stephenson	1.59
Piatt	1.59	Tazewell	1.61
Pike	1.60	Union	1.63
Pope	1.63	Vermilion	1.59
Pulaski	1.64	Wabash	1.62
Putnam	1.60	Warren	1.59
Randolph	1.62	Washington	1.62
Richland	1.62	Wayne	1.61
Rock Island	1.58	White	1.62
St. Clair	1.62	Whiteside	1.58
Saline	1.63	Will	1.61
Sangamon	1.61	Williamson	1.22
Schuyler	1.60	Winnebago	1.59
Scott	1.60	Woodford	1.61

INDIANA

County	Rate per bushel	County	Rate per bushel
Adams	$1.61	Lawrence	$1.61
Allen	1.61	Madison	1.60
Bartholomew	1.61	Marion	1.60
Benton	1.60	Marshall	1.59
Blackford	1.61	Martin	1.61
Boone	1.60	Miami	1.60
Brown	1.20	Monroe	1.60
Carroll	1.59	Montgomery	1.59
Cass	1.59	Morgan	1.60
Clark	1.62	Newton	1.60
Clay	1.59	Noble	1.60
Clinton	1.60	Ohio	1.62
Crawford	1.22	Orange	1.61
Daviess	1.61	Owen	1.59
Dearborn	1.62	Parke	1.59
Decatur	1.61	Perry	1.62
De Kalb	1.61	Pike	1.61
Delaware	1.61	Porter	1.60
Dubois	1.61	Posey	1.62
Elkhart	1.60	Pulaski	1.59
Fayette	1.61	Putnam	1.60
Floyd	1.62	Randolph	1.61
Fountain	1.59	Ripley	1.61
Franklin	1.61	Rush	1.61
Fulton	1.59	St. Joseph	1.60
Gibson	1.62	Scott	1.62
Grant	1.60	Shelby	1.60
Greene	1.60	Spencer	1.62
Hamilton	1.60	Starke	1.60
Hancock	1.60	Steuben	1.61
Harrison	1.62	Sullivan	1.61
Hendricks	1.60	Switzerland	1.22
Henry	1.61	Tippecanoe	1.59
Howard	1.60	Tipton	1.60
Huntington	1.60	Union	1.61
Jackson	1.61	Vanderburgh	1.62
Jasper	1.60	Vermillion	1.59
Jay	1.61	Vigo	1.59
Jefferson	1.62	Wabash	1.60
Jennings	1.61	Warren	1.59
Johnson	1.60	Warrick	1.62
Knox	1.61	Washington	1.62
Kosciusko	1.60	Wayne	1.61
Lagrange	1.60	Wells	1.61
Lake	1.60	White	1.59
La Porte	1.60	Whitley	1.60

IOWA

County	Rate per bushel	County	Rate per bushel
Adair	$1.54	Clinton	$1.57
Adams	1.55	Crawford	1.52
Allamakee	1.53	Dallas	1.53
Appanoose	1.56	Davis	1.56
Audubon	1.53	Decatur	1.55
Benton	1.55	Delaware	1.55
Black Hawk	1.53	Des Moines	1.53
Boone	1.52	Dickinson	1.49
Bremer	1.52	Dubuque	1.56
Buchanan	1.54	Emmet	1.49
Buena Vista	1.50	Fayette	1.54
Butler	1.52	Floyd	1.51
Calhoun	1.51	Franklin	1.51
Carroll	1.52	Fremont	1.55
Cass	1.54	Greene	1.52
Cedar	1.57	Grundy	1.52
Cerro Gordo	1.50	Guthrie	1.53
Cherokee	1.51	Hamilton	1.51
Chickasaw	1.52	Hancock	1.50
Clarke	1.55	Hardin	1.52
Clay	1.50	Harrison	1.54
Clayton	1.54	Henry	1.57

IOWA—Continued

County	Rate per bushel	County	Rate per bushel
Howard	$1.52	Page	$1.55
Humboldt	1.50	Palo Alto	1.49
Ida	1.51	Plymouth	1.51
Iowa	1.55	Pocahontas	1.50
Jackson	1.57	Polk	1.53
Jasper	1.53	Pottawattamie	1.55
Jefferson	1.56	Poweshiek	1.53
Johnson	1.56	Ringgold	1.55
Jones	1.56	Sac	1.51
Keokuk	1.55	Scott	1.57
Kossuth	1.50	Shelby	1.53
Lee	1.58	Sioux	1.50
Linn	1.55	Story	1.52
Louisa	1.57	Tama	1.53
Lucas	1.55	Taylor	1.55
Lyon	1.49	Union	1.55
Madison	1.54	Van Buren	1.56
Mahaska	1.53	Wapello	1.55
Marion	1.54	Warren	1.54
Marshall	1.52	Washington	1.56
Mills	1.55	Wayne	1.55
Mitchell	1.50	Webster	1.51
Monona	1.53	Winnebago	1.50
Monroe	1.55	Winneshiek	1.53
Montgomery	1.55	Woodbury	1.51
Muscatine	1.57	Worth	1.50
O'Brien	1.50	Wright	1.50
Osceola	1.49		

KANSAS

Allen	$1.20	Linn	$1.20
Anderson	1.60	Logan	1.21
Atchison	1.58	Lyon	1.18
Barber	1.22	McPherson	1.18
Barton	1.21	Marion	1.18
Bourbon	1.20	Marshall	1.56
Brown	1.57	Meade	1.22
Butler	1.21	Miami	1.60
Chase	1.18	Mitchell	1.18
Chautauqua	1.22	Montgomery	1.22
Cherokee	1.22	Morris	1.18
Cheyenne	1.19	Morton	1.22
Clark	1.22	Nemaha	1.57
Clay	1.17	Neosho	1.21
Cloud	1.56	Ness	1.21
Coffey	1.19	Norton	1.18
Comanche	1.22	Osage	1.18
Cowley	1.22	Osborne	1.18
Crawford	1.21	Ottawa	1.18
Decatur	1.18	Pawnee	1.21
Dickinson	1.18	Phillips	1.56
Doniphan	1.57	Pottawatomie	1.57
Douglas	1.58	Pratt	1.21
Edwards	1.21	Rawlins	1.19
Elk	1.21	Reno	1.21
Ellis	1.18	Republic	1.56
Ellsworth	1.18	Rice	1.21
Finney	1.21	Riley	1.56
Ford	1.21	Rooks	1.18
Franklin	1.59	Rush	1.21
Geary	1.18	Russell	1.18
Gove	1.21	Saline	1.18
Graham	1.18	Scott	1.21
Grant	1.21	Sedgwick	1.21
Gray	1.21	Seward	1.22
Greeley	1.21	Shawnee	1.57
Greenwood	1.21	Sheridan	1.18
Hamilton	1.21	Sherman	1.20
Harper	1.22	Smith	1.56
Harvey	1.21	Stafford	1.21
Haskell	1.21	Stanton	1.22
Hodgeman	1.21	Stevens	1.22
Jackson	1.57	Sumner	1.22
Jefferson	1.58	Thomas	1.20
Jewell	1.56	Trego	1.21
Johnson	1.59	Wabaunsee	1.18
Kearny	1.21	Wallace	1.21
Kingman	1.21	Washington	1.56
Kiowa	1.21	Wichita	1.21
Labette	1.22	Wilson	1.21
Lane	1.21	Woodson	1.21
Leavenworth	1.59	Wyandotte	1.19
Lincoln	1.18		

KENTUCKY

Adair	$1.30	Barren	$1.73
Allen	1.73	Bath	1.30
Anderson	1.29	Bell	1.32
Ballard	1.67	Boone	1.24

KENTUCKY—Continued

County	Rate per bushel	County	Rate per bushel
Bourbon	$1.30	Lee	$1.32
Boyd	1.27	Leslie	1.32
Boyle	1.75	Letcher	1.32
Bracken	1.26	Lewis	1.26
Breathitt	1.32	Lincoln	1.31
Breckenridge	1.24	Livingston	1.67
Bullitt	1.69	Logan	1.70
Butler	1.71	Lyon	1.68
Caldwell	1.68	McCracken	1.67
Calloway	1.67	McCreary	1.31
Campbell	1.24	McLean	1.68
Carlisle	1.67	Madison	1.31
Carroll	1.66	Magoffin	1.32
Carter	1.28	Marion	1.73
Casey	1.31	Marshall	1.25
Christian	1.69	Martin	1.31
Clark	1.30	Mason	1.26
Clay	1.32	Meade	1.66
Clinton	1.31	Menifee	1.31
Crittenden	1.66	Mercer	1.30
Cumberland	1.30	Metcalfe	1.30
Daviess	1.65	Monroe	1.73
Edmonson	1.72	Montgomery	1.30
Elliott	1.30	Morgan	1.31
Estill	1.32	Muhlenberg	1.27
Fayette	1.30	Nelson	1.72
Fleming	1.28	Nicholas	1.29
Floyd	1.32	Ohio	1.27
Franklin	1.28	Oldham	1.66
Fulton	1.67	Owen	1.27
Gallatin	1.24	Owsley	1.32
Garrard	1.31	Pendleton	1.27
Grant	1.28	Perry	1.32
Graves	1.67	Pike	1.32
Grayson	1.27	Powell	1.32
Green	1.30	Pulaski	1.31
Greenup	1.26	Robertson	1.28
Hancock	1.65	Rockcastle	1.32
Hardin	1.68	Rowan	1.30
Harlan	1.32	Russell	1.31
Harrison	1.29	Scott	1.29
Hart	1.73	Shelby	1.27
Henderson	1.65	Simpson	1.72
Henry	1.27	Spencer	1.71
Hickman	1.67	Taylor	1.73
Hopkins	1.68	Todd	1.69
Jackson	1.32	Trigg	1.69
Jefferson	1.66	Trimble	1.66
Jessamine	1.30	Union	1.65
Johnson	1.31	Warren	1.73
Kenton	1.24	Washington	1.30
Knott	1.32	Wayne	1.31
Knox	1.32	Webster	1.66
Larue	1.72	Whitley	1.32
Laurel	1.32	Wolfe	1.32
Lawrence	1.28	Woodford	1.29

LOUISIANA

All counties	$1.30

MAINE

All counties	$1.41

MARYLAND

County	Rate per bushel	County	Rate per bushel
Caroline	$1.74	Queen Annes	$1.74
Carroll	1.74	Somerset	1.74
Cecil	1.74	Talbot	1.74
Dorchester	1.74	Washington	1.74
Frederick	1.74	Wicomico	1.74
Harford	1.74	Worcester	1.74
Kent	1.74	All other counties	1.30
Montgomery	1.74		

MASSACHUSETTS

All counties	$1.40

MICHIGAN

County	Rate per bushel	County	Rate per bushel
Alcona	$1.23	Benzie	$1.23
Alger	1.23	Berrien	1.61
Allegan	1.62	Branch	1.62
Alpena	1.23	Calhoun	1.62
Antrim	1.23	Cass	1.61
Arenac	1.23	Charlevoix	1.23
Baraga	1.23	Cheboygan	1.23
Barry	1.62	Chippewa	1.23
Bay	1.23	Clare	1.23

MICHIGAN—Continued

County	Rate per bushel	County	Rate per bushel
Clinton	$1.64	Manistee	$1.23
Crawford	1.23	Marquette	1.23
Delta	1.23	Mason	1.23
Dickinson	1.23	Mecosta	1.23
Eaton	1.64	Menominee	1.23
Emmet	1.23	Midland	1.64
Genesee	1.64	Missaukee	1.23
Gladwin	1.23	Monroe	1.64
Gogebic	1.23	Montcalm	1.64
Grand Traverse	1.23	Montmorency	1.23
Gratiot	1.64	Muskegon	1.23
Hillsdale	1.62	Newaygo	1.23
Houghton	1.23	Oakland	1.64
Huron	1.23	Oceana	1.23
Ingham	1.64	Ogemaw	1.23
Ionia	1.64	Ontonagon	1.23
Iosco	1.23	Osceola	1.23
Iron	1.23	Oscoda	1.23
Isabella	1.64	Otsego	1.23
Jackson	1.64	Ottawa	1.22
Kalamazoo	1.62	Presque Isle	1.23
Kalkaska	1.23	Roscommon	1.23
Kent	1.64	Saginaw	1.64
Keweenaw	1.23	St. Clair	1.23
Lake	1.23	St. Joseph	1.61
Lapeer	1.23	Sanilac	1.23
Leenanau	1.23	Schoolcraft	1.23
Lenawee	1.64	Shiawassee	1.64
Livingston	1.64	Tuscola	1.23
Luce	1.23	Van Buren	1.61
Mackinac	1.23	Washtenaw	1.64
Macomb	1.23	Wayne	1.64
		Wexford	1.23

MINNESOTA

Aitkin	$1.12	Marshall	$1.10
Anoka	1.52	Martin	1.48
Becker	1.11	Meeker	1.51
Beltrami	1.11	Mille Lacs	1.13
Benton	1.51	Morrison	1.49
Big Stone	1.47	Mower	1.50
Blue Earth	1.50	Murray	1.48
Brown	1.50	Nicollet	1.51
Carlton	1.12	Nobles	1.48
Carver	1.52	Norman	1.10
Cass	1.12	Olmsted	1.50
Chippewa	1.48	Otter Tail	1.48
Chisago	1.51	Pennington	1.10
Clay	1.10	Pine	1.13
Clearwater	1.11	Pipestone	1.48
Cook	1.12	Polk	1.10
Cottonwood	1.49	Pope	1.49
Crow Wing	1.12	Ramsey	1.14
Dakota	1.51	Red Lake	1.10
Dodge	1.50	Redwood	1.49
Douglas	1.49	Renville	1.50
Faribault	1.48	Rice	1.51
Fillmore	1.50	Rock	1.48
Freeborn	1.50	Roseau	1.10
Goodhue	1.51	St. Louis	1.12
Grant	1.48	Scott	1.51
Hennepin	1.52	Sherburne	1.51
Houston	1.51	Sibley	1.51
Hubbard	1.11	Stearns	1.51
Isanti	1.13	Steele	1.50
Itasca	1.12	Stevens	1.48
Jackson	1.48	Swift	1.49
Kanabec	1.13	Todd	1.49
Kandiyohi	1.50	Traverse	1.47
Kittson	1.10	Wabasha	1.51
Koochiching	1.12	Wadena	1.12
Lac Qui Parle	1.47	Waseca	1.50
Lake	1.12	Washington	1.52
Lake of the Woods	1.11	Watonwan	1.49
Le Sueur	1.51	Wilkin	1.47
Lincoln	1.47	Winona	1.51
Lyon	1.48	Wright	1.51
McLeod	1.51	Yellow Medicine	1.48
Mahnomen	1.10		

MISSISSIPPI

All counties	$1.30

MISSOURI

County	Rate per bushel	County	Rate per bushel
Adair	$1.59	Atchison	$1.56
Andrew	1.57	Audrain	1.61

MISSOURI—Continued

County	Rate per bushel	County	Rate per bushel
Barry	$1.23	McDonald	$1.23
Barton	1.22	Macon	1.60
Bates	1.60	Madison	1.23
Benton	1.21	Maries	1.22
Bollinger	1.64	Marion	1.60
Boone	1.61	Mercer	1.56
Buchanan	1.59	Miller	1.22
Butler	1.23	Mississippi	1.64
Caldwell	1.60	Moniteau	1.62
Callaway	1.62	Monroe	1.61
Camden	1.22	Montgomery	1.62
Cape Girardeau	1.64	Morgan	1.22
Carroll	1.60	New Madrid	1.64
Carter	1.23	Newton	1.23
Cass	1.60	Nodaway	1.56
Cedar	1.22	Oregon	1.24
Chariton	1.60	Osage	1.22
Christian	1.22	Ozark	1.24
Clark	1.59	Pemiscot	1.23
Clay	1.60	Perry	1.64
Clinton	1.60	Pettis	1.61
Cole	1.22	Phelps	1.23
Cooper	1.62	Pike	1.61
Crawford	1.23	Platte	1.60
Dade	1.22	Polk	1.22
Dallas	1.22	Pulaski	1.23
Daviess	1.58	Putnam	1.57
De Kalb	1.58	Ralls	1.61
Dent	1.23	Randolph	1.60
Douglas	1.23	Ray	1.60
Dunklin	1.64	Reynolds	1.23
Franklin	1.63	Ripley	1.23
Gasconade	1.22	St. Charles	1.62
Gentry	1.57	St. Clair	1.61
Greene	1.22	St. Francois	1.23
Grundy	1.58	St. Louis	1.63
Harrison	1.57	Ste. Genevieve	1.64
Henry	1.60	Saline	1.61
Hickory	1.21	Schuyler	1.57
Holt	1.57	Scotland	1.58
Howard	1.61	Scott	1.64
Howell	1.24	Shannon	1.23
Iron	1.23	Shelby	1.60
Jackson	1.60	Stoddard	1.64
Jasper	1.22	Stone	1.23
Jefferson	1.64	Sullivan	1.58
Johnson	1.60	Taney	1.23
Knox	1.59	Texas	1.23
Laclede	1.23	Vernon	1.61
Lafayette	1.60	Warren	1.63
Lawrence	1.22	Washington	1.23
Lewis	1.60	Wayne	1.64
Lincoln	1.62	Webster	1.22
Linn	1.59	Worth	1.56
Livingston	1.59	Wright	1.23

MONTANA

All counties $1.20

NEBRASKA

County	Rate per bushel	County	Rate per bushel
Adams	$1.53	Dixon	$1.51
Antelope	1.51	Dodge	1.53
Arthur	1.17	Douglas	1.54
Banner	1.18	Dundy	1.18
Blaine	1.15	Fillmore	1.53
Boone	1.51	Franklin	1.53
Box Butte	1.18	Frontier	1.16
Boyd	1.51	Furnas	1.55
Brown	1.14	Gage	1.54
Buffalo	1.53	Garden	1.18
Burt	1.53	Garfield	1.52
Butler	1.53	Gosper	1.55
Cass	1.54	Grant	1.16
Cedar	1.51	Greeley	1.52
Chase	1.17	Hall	1.53
Cherry	1.16	Hamilton	1.52
Cheyenne	1.18	Harlan	1.54
Clay	1.53	Hayes	1.17
Colfax	1.52	Hitchcock	1.18
Cuming	1.51	Holt	1.51
Custer	1.53	Hooker	1.16
Dakota	1.51	Howard	1.53
Dawes	1.18	Jefferson	1.54
Dawson	1.54	Johnson	1.55
Deuel	1.18	Kearney	1.53

NEBRASKA—Continued

County	Rate per bushel	County	Rate per bushel
Keith	$1.17	Red Willow	$1.17
Keyapaha	1.14	Richardson	1.55
Kimball	1.18	Rock	1.14
Knox	1.51	Saline	1.54
Lancaster	1.53	Sarpy	1.54
Lincoln	1.55	Saunders	1.53
Logan	1.16	Scotts Bluff	1.18
Loup	1.15	Seward	1.53
McPherson	1.16	Sheridan	1.17
Madison	1.51	Sherman	1.53
Merrick	1.52	Sioux	1.18
Morrill	1.18	Stanton	1.51
Nance	1.52	Thayer	1.53
Nemaha	1.55	Thomas	1.16
Nuckolls	1.53	Thurston	1.51
Otoe	1.54	Valley	1.53
Pawnee	1.55	Washington	1.54
Perkins	1.17	Wayne	1.51
Phelps	1.54	Webster	1.53
Pierce	1.51	Wheeler	1.14
Platte	1.52	York	1.52
Polk	1.52		

NEVADA

All counties $1.35

NEW HAMPSHIRE

All counties $1.40

NEW JERSEY

County	Rate per bushel	County	Rate per bushel
Cumberland	$1.78	Somerset	$1.78
Gloucester	1.78	Warren	1.78
Hunterdon	1.78	All other counties	1.34
Mercer	1.78		
Salem	1.78		

NEW MEXICO

All counties $1.29

NEW YORK

All counties $1.33

NORTH CAROLINA

County	Rate per bushel	County	Rate per bushel
Beaufort	$1.74	Lenoir	$1.74
Camden	1.74	Martin	1.74
Chowan	1.74	Nash	1.74
Craven	1.74	Onslow	1.74
Currituck	1.74	Pasquotank	1.74
Duplin	1.74	Perquimans	1.74
Edgecombe	1.74	Pitt	1.74
Gates	1.74	Sampson	1.74
Greene	1.74	Wayne	1.74
Halifax	1.74	Wilson	1.74
Hertford	1.74	All other counties	1.39
Johnston	1.74		
Jones	1.74		

NORTH DAKOTA

Richland	$1.49
All other counties	1.10

OHIO

County	Rate per bushel	County	Rate per bushel
Adams	$1.64	Erie	$1.65
Allen	1.61	Fairfield	1.64
Ashland	1.65	Fayette	1.63
Ashtabula	1.26	Franklin	1.63
Athens	1.24	Fulton	1.62
Auglaize	1.61	Gallia	1.24
Belmont	1.26	Geauga	1.26
Brown	1.64	Greene	1.62
Butler	1.61	Guernsey	1.25
Carroll	1.26	Hamilton	1.62
Champaign	1.62	Hancock	1.62
Clark	1.62	Hardin	1.62
Clermont	1.63	Harrison	1.26
Clinton	1.62	Henry	1.62
Columbiana	1.26	Highland	1.63
Coshocton	1.66	Hocking	1.65
Crawford	1.63	Holmes	1.66
Cuyahoga	1.25	Huron	1.65
Darke	1.61	Jackson	1.65
Defiance	1.61	Jefferson	1.26
Delaware	1.63	Knox	1.64

OHIO—Continued

County	Rate per bushel	County	Rate per bushel
Lake	$1.26	Pike	$1.64
Lawrence	1.65	Portage	1.26
Licking	1.64	Preble	1.61
Logan	1.62	Putnam	1.62
Lorain	1.66	Richland	1.64
Lucas	1.63	Ross	1.64
Madison	1.63	Sandusky	1.64
Mahoning	1.26	Scioto	1.64
Marion	1.63	Seneca	1.63
Medina	1.66	Shelby	1.61
Meigs	1.24	Stark	1.67
Mercer	1.61	Summit	1.25
Miami	1.61	Trumbull	1.26
Monroe	1.26	Tuscarawas	1.67
Montgomery	1.61	Union	1.62
Morgan	1.66	Van Wert	1.61
Morrow	1.64	Vinton	1.65
Muskingum	1.66	Warren	1.62
Noble	1.25	Washington	1.25
Ottawa	1.64	Wayne	1.66
Paulding	1.61	Williams	1.61
Perry	1.65	Wood	1.63
Pickaway	1.63	Wyandot	1.63

OKLAHOMA

County	Rate per bushel	County	Rate per bushel
Adair	$1.24	LeFlore	$1.24
Alfalfa	1.22	Lincoln	1.23
Atoka	1.24	Logan	1.22
Beaver	1.22	Love	1.23
Beckham	1.22	McClain	1.22
Blaine	1.22	McCurtain	1.24
Bryan	1.24	McIntosh	1.24
Caddo	1.22	Major	1.22
Canadian	1.22	Marshall	1.24
Carter	1.23	Mayes	1.22
Cherokee	1.24	Murray	1.23
Choctaw	1.24	Muskogee	1.24
Cimarron	1.22	Noble	1.22
Cleveland	1.22	Nowata	1.22
Coal	1.24	Okfuskee	1.23
Comanche	1.22	Oklahoma	1.22
Cotton	1.22	Okmulgee	1.23
Craig	1.22	Osage	1.22
Creek	1.23	Ottawa	1.22
Custer	1.22	Pawnee	1.23
Delaware	1.23	Payne	1.23
Dewey	1.22	Pittsburg	1.24
Ellis	1.22	Pontotoc	1.23
Garfield	1.22	Pottawatomie	1.22
Garvin	1.23	Pushmataha	1.24
Grady	1.22	Roger Mills	1.22
Grant	1.22	Rogers	1.22
Greer	1.22	Seminole	1.23
Harmon	1.22	Sequoyah	1.24
Harper	1.22	Stephens	1.22
Haskell	1.24	Texas	1.22
Hughes	1.24	Tillman	1.22
Jackson	1.22	Tulsa	1.23
Jefferson	1.22	Wagoner	1.23
Johnston	1.24	Washington	1.22
Kay	1.22	Washita	1.22
Kingfisher	1.22	Woods	1.22
Kiowa	1.22	Woodward	1.22
Latimer	1.24		

OREGON

All counties $1.35

PENNSYLVANIA

County	Rate per bushel	County	Rate per bushel
Adams	$1.75	Lebanon	$1.75
Berks	1.75	Lehigh	1.75
Blair	1.75	Lycoming	1.75
Bucks	1.75	Mifflin	1.75
Carbon	1.75	Montgomery	1.75
Centre	1.75	Montour	1.75
Chester	1.75	Northampton	1.75
Clinton	1.75	Northumberland	1.75
Columbia	1.75	Perry	1.75
Cumberland	1.75	Schuylkill	1.75
Dauphin	1.75	Snyder	1.75
Delaware	1.75	Union	1.75
Franklin	1.75	York	1.75
Fulton	1.75	All other counties	1.31
Huntingdon	1.75		
Juniata	1.75		
Lancaster	1.75		

RHODE ISLAND

County	Rate per bushel
All counties	$1.40

SOUTH CAROLINA

County	Rate per bushel
All counties	$1.30

SOUTH DAKOTA

County	Rate per bushel	County	Rate per bushel
Armstrong	$1.12	Jackson	$1.12
Aurora	1.47	Jerauld	1.47
Beadle	1.47	Jones	1.12
Bennett	1.13	Kingsbury	1.47
Bon Homme	1.47	Lake	1.46
Brookings	1.47	Lawrence	1.13
Brown	1.10	Lincoln	1.47
Brule	1.47	Lyman	1.11
Buffalo	1.10	McCook	1.46
Butte	1.13	McPherson	1.10
Campbell	1.11	Marshall	1.10
Charles Mix	1.47	Meade	1.12
Clark	1.47	Mellette	1.12
Clay	1.47	Miner	1.46
Codington	1.47	Minnehaha	1.47
Corson	1.12	Moody	1.47
Custer	1.16	Pennington	1.13
Davison	1.46	Perkins	1.12
Day	1.47	Potter	1.12
Deuel	1.47	Roberts	1.47
Dewey	1.12	Sanborn	1.46
Douglas	1.47	Shannon	1.15
Edmunds	1.10	Spink	1.10
Fall River	1.16	Stanley	1.12
Faulk	1.11	Sully	1.11
Grant	1.47	Todd	1.12
Gregory	1.47	Tripp	1.48
Haakon	1.12	Turner	1.47
Hamlin	1.47	Union	1.47
Hand	1.10	Walworth	1.12
Hanson	1.46	Washabaugh	1.12
Harding	1.13	Washington	1.14
Hughes	1.11	Yankton	1.47
Hutchinson	1.47	Ziebach	1.12
Hyde	1.11		

TENNESSEE

County	Rate per bushel	County	Rate per bushel
Anderson	$1.32	Jefferson	$1.33
Bedford	1.30	Johnson	1.34
Benton	1.28	Knox	1.33
Bledsoe	1.31	Lake	1.24
Blount	1.34	Lauderdale	1.67
Bradley	1.33	Lawrence	1.29
Campbell	1.32	Lewis	1.28
Cannon	1.30	Lincoln	1.31
Carroll	1.26	Loudon	1.33
Carter	1.34	McMinn	1.33
Cheatham	1.28	McNairy	1.28
Chester	1.26	Macon	1.30
Claiborne	1.32	Madison	1.26
Clay	1.30	Marion	1.33
Cocke	1.34	Marshall	1.30
Coffee	1.31	Maury	1.29
Crockett	1.26	Meigs	1.32
Cumberland	1.31	Monroe	1.34
Davidson	1.29	Montgomery	1.70
Decatur	1.28	Moore	1.31
De Kalb	1.30	Morgan	1.32
Dickson	1.28	Obion	1.66
Dyer	1.67	Overton	1.30
Fayette	1.26	Perry	1.28
Fentress	1.31	Pickett	1.30
Franklin	1.32	Polk	1.34
Gibson	1.25	Putnam	1.30
Giles	1.30	Rhea	1.32
Grainger	1.32	Roane	1.32
Greene	1.34	Robertson	1.71
Grundy	1.31	Rutherford	1.30
Hamblen	1.33	Scott	1.32
Hamilton	1.33	Sequatchie	1.32
Hancock	1.32	Sevier	1.34
Hardeman	1.26	Shelby	1.26
Hardin	1.28	Smith	1.30
Hawkins	1.32	Stewart	1.70
Haywood	1.26	Sullivan	1.34
Henderson	1.26	Sumner	1.30
Henry	1.68	Tipton	1.67
Hickman	1.28	Trousdale	1.30
Houston	1.28	Unicoi	1.34
Humphreys	1.28	Union	1.32
Jackson	1.30	Van Buren	1.30

TENNESSEE—Continued

County	Rate per bushel	County	Rate per bushel
Warren	$1.30	White	$1.30
Washington	1.34	Williamson	1.29
Wayne	1.28	Wilson	1.30
Weakley	1.67		

TEXAS

County	Rate per bushel	County	Rate per bushel
Anderson	$1.24	Goliad	$1.26
Andrews	1.24	Gonzales	1.26
Angelina	1.25	Gray	1.22
Aransas	1.26	Grayson	1.24
Archer	1.24	Gregg	1.25
Armstrong	1.22	Grimes	1.25
Atascosa	1.26	Guadalupe	1.26
Austin	1.25	Hale	1.23
Bailey	1.23	Hall	1.23
Bandera	1.25	Hamilton	1.24
Bastrop	1.25	Hansford	1.22
Baylor	1.24	Hardeman	1.23
Bee	1.26	Hardin	1.26
Bell	1.24	Harris	1.26
Bexar	1.26	Harrison	1.26
Blanco	1.25	Hartley	1.22
Borden	1.24	Haskell	1.24
Bosque	1.24	Hays	1.24
Bowie	1.25	Hemphill	1.22
Brazoria	1.26	Henderson	1.24
Brazos	1.24	Hidalgo	1.26
Briscoe	1.23	Hill	1.24
Brooks	1.26	Hockley	1.24
Brown	1.24	Hood	1.24
Burleson	1.25	Hopkins	1.24
Burnett	1.24	Houston	1.24
Caldwell	1.25	Howard	1.24
Calhoun	1.26	Hudspeth	1.27
Callahan	1.24	Hunt	1.24
Cameron	1.26	Hutchinson	1.22
Camp	1.25	Irion	1.25
Carson	1.22	Jack	1.24
Cass	1.25	Jackson	1.26
Castro	1.23	Jasper	1.26
Chambers	1.26	Jefferson	1.26
Cherokee	1.24	Jim Hogg	1.26
Childress	1.23	Jim Wells	1.26
Clay	1.24	Johnson	1.24
Cochran	1.24	Jones	1.24
Coke	1.24	Karnes	1.26
Coleman	1.24	Kaufman	1.24
Collin	1.24	Kendall	1.25
Collingsworth	1.22	Kent	1.24
Colorado	1.26	Kerr	1.25
Comal	1.25	Kimble	1.25
Comanche	1.24	King	1.24
Concho	1.24	Kinney	1.26
Cooke	1.24	Kleberg	1.26
Coryell	1.24	Knox	1.24
Cottle	1.23	Lamar	1.24
Crosby	1.24	Lamb	1.23
Dallam	1.22	Lampasas	1.24
Dallas	1.24	La Salle	1.26
Dawson	1.24	Lavaca	1.26
Deaf Smith	1.23	Lee	1.25
Delta	1.24	Leon	1.24
Denton	1.24	Liberty	1.26
De Witt	1.26	Limestone	1.24
Dickens	1.24	Lipscomb	1.22
Dimmit	1.26	Live Oak	1.26
Donley	1.22	Llano	1.24
Duval	1.26	Lubbock	1.24
Eastland	1.24	Lynn	1.24
Edwards	1.26	McCulloch	1.24
Ellis	1.24	McLennan	1.24
El Paso	1.27	McMullen	1.26
Erath	1.24	Madison	1.24
Falls	1.24	Marion	1.25
Fannin	1.24	Martin	1.24
Fayette	1.25	Mason	1.25
Fisher	1.24	Matagorda	1.26
Floyd	1.23	Maverick	1.26
Foard	1.23	Medina	1.26
Fort Bend	1.26	Menard	1.25
Franklin	1.24	Midland	1.26
Freestone	1.24	Milam	1.24
Frio	1.26	Mills	1.24
Gaines	1.24	Mitchell	1.24
Galveston	1.26	Montague	1.24
Garza	1.24	Montgomery	1.25
Gillespie	1.25	Moore	1.22

TEXAS—Continued

County	Rate per bushel	County	Rate per bushel
Morris	$1.25	Smith	$1.24
Motley	1.23	Somervell	1.24
Nacogdoches	1.25	Starr	1.26
Navarro	1.24	Stephens	1.24
Newton	1.26	Stonewall	1.24
Nolan	1.24	Sutton	1.26
Nueces	1.26	Swisher	1.23
Ochiltree	1.22	Tarrant	1.24
Oldham	1.22	Taylor	1.24
Orange	1.26	Terry	1.24
Palo Pinto	1.24	Throckmorton	1.24
Panola	1.26	Titus	1.25
Parker	1.24	Tom Green	1.25
Parmer	1.23	Travis	1.25
Pecos	1.26	Trinity	1.24
Polk	1.25	Tyler	1.26
Potter	1.22	Upshur	1.25
Presidio	1.26	Uvalde	1.26
Rains	1.24	Val Verde	1.26
Randall	1.22	Van Zandt	1.24
Real	1.26	Victoria	1.26
Red River	1.24	Walker	1.24
Reeves	1.26	Waller	1.26
Refugio	1.26	Washington	1.25
Roberts	1.22	Webb	1.26
Robertson	1.24	Wharton	1.26
Rockwall	1.24	Wheeler	1.22
Runnels	1.24	Wichita	1.23
Rusk	1.25	Wilbarger	1.23
Sabine	1.26	Willacy	1.26
San Augustine	1.26	Williamson	1.24
San Jacinto	1.25	Wilson	1.26
San Patricio	1.26	Wise	1.24
San Saba	1.24	Wood	1.24
Schleicher	1.26	Yoakum	1.24
Scurry	1.24	Young	1.24
Shackelford	1.24	Zapata	1.26
Shelby	1.26	Zavala	1.26
Sherman	1.22		

UTAH

All counties	$1.34

VERMONT

All counties	$1.40

VIRGINIA

County	Rate per bushel	County	Rate per bushel
Accomac	$1.74	Southampton	$1.74
Isle of Wight	1.74	Surry	1.74
Nansemond	1.74	Sussex	1.74
Norfolk	1.74	All other counties	1.30
Northampton	1.74		
Princess Anne	1.74		

WASHINGTON

All counties	$1.35

WEST VIRGINIA

County	Rate per bushel	County	Rate per bushel
Berkeley	$1.74	All other counties	$1.30
Jefferson	1.74		

WISCONSIN

County	Rate per bushel	County	Rate per bushel
Adams	$1.58	Green Lake	$1.59
Ashland	1.18	Iowa	1.58
Barron	1.17	Iron	1.19
Bayfield	1.18	Jackson	1.57
Brown	1.20	Jefferson	1.60
Buffalo	1.56	Juneau	1.58
Burnett	1.17	Kenosha	1.61
Calumet	1.20	Kewaunee	1.21
Chippewa	1.18	La Crosse	1.56
Clark	1.18	Lafayette	1.58
Columbia	1.59	Langlade	1.20
Crawford	1.56	Lincoln	1.19
Dane	1.59	Manitowoc	1.21
Dodge	1.60	Marathon	1.19
Door	1.21	Marinette	1.20
Douglas	1.17	Marquette	1.59
Dunn	1.56	Milwaukee	1.61
Eau Claire	1.57	Monroe	1.57
Florence	1.20	Oconto	1.20
Fond du Lac	1.60	Oneida	1.20
Forest	1.20	Outagamie	1.20
Grant	1.56	Ozaukee	1.21
Green	1.59	Pepin	1.56

WISCONSIN—Continued

County	Rate per bushel	County	Rate per bushel
Pierce	$1.56	Taylor	$1.18
Polk	1.56	Trempealeau	1.56
Portage	1.19	Vernon	1.56
Price	1.18	Vilas	1.20
Racine	1.61	Walworth	1.60
Richland	1.57	Washburn	1.17
Rock	1.60	Washington	1.20
Rusk	1.18	Waukesha	1.60
St. Croix	1.56	Waupaca	1.20
Sauk	1.58	Waushara	1.59
Sawyer	1.18	Winnebago	1.60
Shawano	1.20	Wood	1.18
Sheboygan	1.21		

WYOMING

All counties	$1.21

(b) *Premiums and discounts*—(1) *Farm storage.* In the case of eligible corn delivered from farm storage under purchase agreements and in the case of farm-storage loans, the applicable premiums and discounts shown in the "Schedule of Premiums and Discounts," in this paragraph, except for eligible corn under loan grading "mixed," shall be applied to the basic rate at the time of settlement. In the case of eligible corn, grading "mixed," placed under a farm-storage loan, the discount shall be applied to the basic rate at the time the loan is completed.

(2) *Warehouse storage.* In the case of warehouse-storage loans, the applicable premiums and discounts for eligible corn shown in the "Schedule of Premiums and Discounts" in this paragraph shall be applied to the basic support rate at the time the loan is completed. In the case of eligible corn represented by warehouse receipts tendered to CCC under a purchase agreement, the applicable premiums and discounts shall be applied to the basic support rate at the time of settlement. The discounts for weevily and for moisture content are not applicable since corn in approved warehouse storage which grades weevily or contains in excess of 13.5 percent moisture is not eligible.

(3) *Schedule of premiums and discounts.*

PREMIUMS

	Cents per bushel
Grade No. 2 or better	1

DISCOUNTS

Moisture content (percent)	
0 to 14.0	0
14.1 to 15.5	1
15.6 to 16.0	2
16.1 to 16.5	3
16.6 to 17.0	4
17.1 to 17.5	5
Weevily	2
Mixed	2

(Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C., 714b. Interprets or applies sec. 5, 62 Stat. 1072, secs. 101, 401, 63 Stat. 1051; 15 U. S. C., 714c, 7 U. S. C., 1441, 1421)

Issued this 18th day of October 1955.

[SEAL] EARL M. HUGHES,
Executive Vice President,
Commodity Credit Corporation.

[F. R. Doc. 55-8561; Filed, Oct. 24, 1955; 8:45 a. m.]

TITLE 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation

[Amdt. 2]

PART 417—TOBACCO CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1954 AND SUCCEEDING CROP YEARS

POLICY; CO-INSURANCE

The above identified regulations, as amended (18 F. R. 5703; 19 F. R. 469, 5602; 20 F. R. 5625), are hereby amended, effective beginning with the 1956 crop year as follows:

1. Section 10 of the policy shown in § 417.8 is amended by adding a last sentence to read as follows: "Where released acreage is not put to another use, or is replanted to tobacco, the release may be disregarded by the Corporation."

2. Section 16 of the policy shown in § 417.8 is amended to read as follows:

16. *Other insurance.* If the insured has or acquires any other insurance against fire on the crop, or portion thereof, covered by the insurance contract, regardless of whether such other insurance is valid or collectible, the Corporation shall only be liable in the event of a loss due to such risk, for the smaller of either (1) the amount of loss determined pursuant to this contract, or (2) the amount by which the loss from such risk exceeds the indemnity paid or payable under such other insurance.

3. Subsections (a) and (b) of section 20 of the policy shown in § 417.8 are amended to read as follows:

(a) Subject to the provisions of this section, the contract shall be in effect for the first crop year specified on the application and shall continue in effect for each succeeding crop year until canceled by either the insured or the Corporation. Cancellation may be made by either party giving written notice to the other party on or before the applicable cancellation date shown in section 26 preceding the crop year for which the cancellation is to become effective: *Provided, however,* That if 60 days after such cancellation date any amount due the Corporation remains unpaid or the insured has not complied with a request by the Corporation that arrangements satisfactory to the Corporation be made for the payment of the following crop year's premium, the contract shall terminate as if canceled by the Corporation prior to such cancellation date. Any notice of cancellation by the insured shall be in writing and shall be filed with the county office. The Corporation shall mail any notice of cancellation or any request that arrangements be made for the payment of a premium to the insured's last known address and mailing shall constitute notice to the insured.

(b) If the insured cancels the contract, he shall not be eligible for tobacco crop insurance in the county in the next succeeding crop year unless he, (1) subsequently applies for insurance on or before the cancellation date preceding such year or (2) applies for insurance to cover (i) an interest (individual or sharecroppers') not covered by the canceled contract, or (ii) both the individual and sharecroppers' interest where only one such interest was covered under the canceled contract.

4. Subsections (g), (h), and (l) of section 25 of the policy shown in § 417.8 are amended to read as follows:

(g) "Market price" for a crop year in the case of tobacco of types 11, 12, 13, 14, 21, 22, 23, 31, 35 and 36 means the average auction price for the applicable type (less warehouse charges) in the belt or area, as determined by the Corporation. "Market price" for a crop year in the case of tobacco of types 41, 51, 52, 54 and 55 means the average price for the applicable type in the belt or area as determined by the Corporation. The market price when determined by the Corporation shall be filed in the county office.

(h) "Owner-operator" means a person who owns land and is responsible for farm management with respect to the production of tobacco on such acreage whether produced by his own or other person's(s') labor. Land rented for cash or for a fixed commodity payment shall be considered owned by the lessee.

* * * * *

(l) "Sharecropper" or "share tenant" means a person other than an owner-operator or tenant-operator who works tobacco under supervision of a farm operator and is entitled to receive a share of the crop or proceeds therefrom and includes a person employed on the farm of an owner-operator or tenant-operator who receives for his labor the entire interest of such owner-operator or tenant-operator in the tobacco crop, or proceeds therefrom, produced on a specified acreage of such farm (for the purpose of the contract the owner-operator or tenant-operator of the farm shall be considered to have an interest in such acreage).

5. Section 26 of the policy shown in § 417.8 is amended to read as follows:

26. *Date table.* For each year of the contract, the cancellation date and the discount date are as follows:

Type of tobacco	Cancellation date [1] [2]	Discount date [1] [3]
11a	March 5	December 15.
11b	February 23	December 15.
12	February 23	December 15.
13	February 15	November 20.
14	January 31	September 20.
21	March 5	January 31.
31 All States (except North Carolina and Virginia).	March 15	March 31.
31 North Carolina and Virginia.	March 15	January 31.
22, 23, 35, 36	March 15	March 31.
41, 51, 52, 54, 55	March 31	May 31.

[1] When a cancellation or discount date falls on a Sunday or other day when the county office is not officially open for business, such date shall be extended to the next business day.

[2] The cancellation date is the applicable date preceding the beginning of the crop year for which cancellation is to become effective.

[3] The last date for the payment of the annual premium before the unpaid balance is increased by 10 percent is the applicable discount date following the date the tobacco crop is planted. In case two or more types of tobacco are insured under the contract, the earliest date for any type of tobacco insured shall apply to the entire premium for the contract.

6. Section 417.9 is deleted and there is substituted a new § 417.9 to read as follows:

§ 417.9 *Co-insurance.* Notwithstanding any other provisions of this subpart to the contrary, the Manager of the Corporation is authorized, in counties designated by him, to permit insureds to elect a percentage, which in no case shall be less than 50 percent, of the maximum protection available, in which event the amount of premium (subject to section 7 (d) of the policy) and any indemnity payable under the contract shall be reduced accordingly. For the first crop year of a contract the election

must be made in writing at the time the application for insurance is filed. For any subsequent crop year of a contract, an election may be made, changed, or rescinded by notifying the county office in writing on or before the cancellation date for the crop year the change is to become effective. In counties designated for such co-insurance the percentage(s) established by the Manager by which premiums and indemnities may be reduced will be shown on the county actuarial table on file in the county office.

(Secs. 506, 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506, 1516. Interpret or apply secs. 507, 508, 509, 52 Stat. 73, 74, 75, as amended; 7 U. S. C. 1507, 1508, 1509)

Adopted by the Board of Directors on October 4, 1955.

[SEAL] C. S. LAIDLAW,
Secretary,
Federal Crop Insurance Corporation.

Approved on October 19, 1955.

TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 55-8589; Filed, Oct. 24, 1955; 8:50 a. m.]

PART 419—COTTON CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1956 AND SUCCEEDING CROP YEARS

By virtue of the authority contained in the Federal Crop Insurance Act, as amended, the "Regulations for the 1952 and Succeeding Crop Years," as amended (16 F R. 7975, 11565; 17 F R. 2110, 5633, 8206, 8471, 18 F R. 440, 3633, 3994, 6990; 19 F R. 470, 5604, 8500; 20 F R. 5055) which shall continue in full force and effect for the 1955 crop year, are hereby amended for the 1956 and succeeding crop years to read as set forth below. The provisions of this subpart shall apply, until amended or superseded, to all continuous cotton crop contracts as they relate to the 1956 and succeeding crop years.

Sec.

AUTHORITY: § 419.1 to 419.7 issued under secs. 506, 516, 52 Stat. 73, 77, as amended; 7 U. S. C. 1506, 1516. Interpret or apply secs. 507, 508, 509, 52 Stat. 73, 74, 75, as amended; 7 U. S. C. 1507, 1508, 1509.

§ 419.1 *Availability of cotton crop insurance.* (a) Cotton crop insurance may be provided in counties designated annually by the Manager of the Corporation from a list of counties approved by the Board of Directors of the Corporation. A list of the designated counties shall be published annually by appendix to this section.

(b) Insurance will not be provided in a county for any crop year unless the minimum participation requirement established by the Federal Crop Insurance Act, as amended, is met. For the purpose of determining whether the minimum participation requirement is met, an insurance unit shall be counted as one farm.

§ 419.2 *Coverages, premium rates, and fixed price.* The Corporation shall establish coverage(s) and premium rate(s) per acre and the fixed price, used to evaluate production, which shall be shown on the county actuarial table on file in the county office and may be revised from year to year.

§ 419.3 *Application for insurance.* (a) Application for insurance on a form prescribed by the Corporation may be made by any person to cover his interest as landlord, owner-operator, tenant-operator, share tenant, or sharecropper in a cotton crop.

(b) Application for insurance may also be made by any owner-operator or tenant-operator on a form prescribed by the Corporation to cover the interest(s) which a share tenant(s) or sharecropper(s) has in a cotton crop in which such farm operator has an interest. The interest(s) covered shall be that interest(s) which the share tenant(s) or sharecropper(s) has at the time of planting and any interest(s) allocated to him after planting pursuant to an understanding existing at the time of planting. As to such share tenant(s) or sharecropper(s) interest(s) notwithstanding any other provision of the contract to the contrary, (1) the applicant shall be considered the insured and the interest(s) insured shall be considered as his interest(s) (2) premiums (except for reductions based on good experience) and losses shall be computed and transfers of interest shall be made in the same manner and under the same terms and conditions as if the share tenant(s) or sharecropper(s) had signed (and the Corporation accepted) an individual application for insurance, (3) the applicant shall designate on his annual acreage report the name of the share tenant(s) or sharecropper(s) and the acreage allocated to him, (4) any indemnity shall be paid to the insured for the benefit of the share tenant or sharecropper (or transferee) allocated the insurance unit on which the loss occurred and payment shall be made by joint check payable to the insured and said share tenant or sharecropper (or transferee), (5) collateral assignments shall not be honored but the insured shall from the proceeds of the joint check be entitled to any amounts owed him for advances to finance the current cotton crop on the insurance unit, and (6) the Corporation shall not deduct from any indemnity any amount except the current premium on the share tenant's or sharecropper's interest and any amount owed the Corporation by the share tenant or sharecropper (or transferee) For each crop year of the contract, the contract shall not cover the interest of any share tenant or sharecropper who is insured with the Corporation under an individual contract.

(c) For any crop year applications shall be submitted to the county office on or before the following applicable closing date preceding such crop year:

Alabama: Randolph, Clay, Talladega, Shelby, Tuscaloosa, and Pickens Counties and all Alabama counties lying north thereof, April 10. All other Alabama counties, March 31.

Arkansas: April 10.

Mississippi: Noxubee, Winston, Attala, Madison, Hinds, and Warren Counties and all Mississippi counties lying north thereof, April 10. All other Mississippi counties, March 31.

North Carolina: April 10.

South Carolina: April 10.

Tennessee: April 10.

Texas: Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, and Kinney Counties, and all Texas counties lying south thereof, February 28. All other Texas counties, March 31.

All other States: March 31.

§ 419.4 *Public notice of indemnities paid.* The Corporation shall provide for the posting annually in each county at the county courthouse of a list of the indemnities paid in the county.

§ 419.5 *Creditors.* An interest in an insured crop existing by virtue of a lien, mortgage, garnishment, levy, execution, bankruptcy or any involuntary transfer shall not entitle the holder of the interest to any benefit under the contract.

§ 419.6 *Co-insurance.* Notwithstanding any other provisions of this subpart to the contrary, the Manager of the Corporation is authorized, in counties designated by him, to permit insureds to elect a percentage, which in no case shall be less than 50 percent, of the maximum protection available, in which event the amount of premium (subject to section 5 (d) of the policy) and any indemnity payable under the contract shall be reduced accordingly. For the first crop year of a contract the election must be made in writing at the time the application for insurance is filed. For any subsequent crop year of a contract, an election may be made, changed, or rescinded by notifying the county office in writing on or before the cancellation date for the crop year the change is to become effective. In counties designated for such co-insurance the percentage(s) established by the Manager by which premiums and indemnities may be reduced will be shown on the county actuarial table on file in the county office.

§ 419.7 *The policy.* The provisions of the policy for the 1956 and succeeding crop years are as follows:

Pursuant to the provisions of the application upon which this policy is issued, which application together with this policy shall constitute the contract, and subject to the terms and conditions set forth herein, the Federal Crop Insurance Corporation (herein called the "Corporation") does insure the applicant (herein called the "insured"), subject to the acceptance of his application, against unavoidable loss of lint cotton production on his cotton crop due to drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation and plant disease. The contract shall not cover any loss due to the neglect or malfeasance of the insured, any member of his household, his tenants, sharecroppers, or employees, or failure to follow recognized good farming practices, or to any cause other than those specified above. No term or condition of the contract shall be waived or changed on

behalf of the Corporation except in writing by a duly authorized representative of the Corporation.

TERMS AND CONDITIONS

1. *Insured acreage and interest.* The insured acreage and interest for each crop year shall be that acreage in the county planted to cotton in which the insured had an interest at the time of planting and his interest therein at such time as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect: *Provided,* That insurance shall not attach or be considered to have attached on acreage for which a coverage is not shown on the county actuarial table for the crop year or, in counties where a coverage(s) is established by farming practice(s), on acreage on which the farming practice followed is one for which a coverage is not established. *Provided Further,* That insurance shall not attach or be considered to have attached on acreage on which it is determined by the Corporation that cotton is (a) destroyed and it is practical to replant to cotton and such acreage is not replanted to cotton, (b) initially planted too late to expect a normal crop to be produced, (c) planted following in the same year a small grain crop which reaches the heading stage, (d) planted on new ground acreage, or (e) planted in excess of the allotment or permitted acreage established under any program administered by the Secretary of Agriculture but destroyed by natural causes or by the insured and not considered as cotton under the provisions of such program. The Corporation reserves the right to limit the insured acreage to the cotton allotment or permitted acreage established under any act of Congress including the Agricultural Adjustment Act of 1938, as amended. For the purpose of determining the amount of loss, the insured interest shall not exceed the insured's interest at the time of loss or the beginning of harvest, whichever occurs first.

2. *Responsibility of the insured to report acreage and interest.* (a) Promptly after planting the cotton crop each year the insured shall submit to the county office, on a form prescribed by the Corporation, a report showing all acreage in the county planted to cotton in which he has an interest and his interest therein at the time of planting. If the insured does not have an interest in any cotton acreage in the county for any year he shall nevertheless submit a report so indicating. Any acreage report submitted by the insured shall not be subject to change by the insured.

(b) If the insured fails to submit the above-mentioned acreage report within 30 days after planting of cotton is generally completed in the county, the Corporation may elect to determine the insured acreage and interest or to declare the insured acreage to be "zero"

3. *Coverage, premium rate, and fixed price.* For each crop year of the contract the coverage and premium rate per acre established for the area in which the insured acreage is located, and the fixed price, used to evaluate production, shall be those established by the Corporation for such crop year and shown on the county actuariel table on file in the county office. The coverage per acre is progressive by stages of production which are as follows:

First stage: After it is too late to plant cotton but before the first cultivation;

Second stage: After the first cultivation but before laying by;

Third stage: After laying by but before harvest, and

Fourth stage: After harvest and to the end of the insurance period.

The coverage applicable to any acreage shall be that established for the stage of production reached by the crop as determined by the Corporation.

4. *Changes in contract.* The Corporation reserves the right to change the premium rate(s), coverage(s), fixed price(s), and other terms and provisions of the contract from year to year. Any changes shall be mailed to the insured or placed on file in the county office at least 15 days prior to the cancellation date preceding the crop year for which the changes are to become effective, and such mailing or filing shall constitute notice to the insured. Failure of the insured to cancel the contract as provided in section 13 shall constitute his acceptance of any such changes.

5. *Amount of annual premium.* (a) The annual premium for each insurance unit will be based upon (1) the insured acreage of cotton, (2) the applicable premium rate(s), and (3) the insured interest(s) in the crop at the time of planting, and with respect to any insured acreage shall be earned and payable when the cotton on such acreage is planted. However, subject to (d) below the amount of the premium so determined for an insurance unit shall not exceed 50 percent of the result obtained by multiplying (1) the insured acreage by (2) the applicable coverage per acre by (3) the insured interest in the crop. There will be a reduction in the annual premium for each insurance unit of four percent for each full hundred acres of insured acreage on the unit, provided, however, that the total reduction shall not exceed 20 percent.

(b) Any amount of the premium which is unpaid on the day following the applicable discount date (following planting) shown below will be increased by ten percent, which increased amount shall be the premium balance, and thereafter, at the end of each 12 months' period, six percent simple interest shall attach to any amount of the premium balance which is unpaid. For each year of the contract, the discount date shall be January 31 for counties in Arizona, California, and New Mexico and for Andrews, Martin, Howard, Mitchell, Scurry, Kent, Dickens, Motley, Hall, and Collingsworth Counties, Texas, and for all Texas Counties lying north and west thereof; December 31 for Oklahoma; and November 30 for all other counties.

(c) The insured's annual premium for any year may be reduced 25 percent if he has had seven consecutively insured cotton crops (immediately preceding the current crop year) without a loss for which an indemnity was paid. If the insured is not eligible for the above premium reduction, his annual premium for any year may be reduced not to exceed 25 percent if it is determined by the Corporation that the accumulated balance, expressed in pounds, of premiums over indemnities on consecutively insured cotton crops exceeds his total coverage (computed on a harvested acreage basis). Nothing in this paragraph shall create in the insured any right to a reduced premium.

(d) If in any year a premium is earned under the contract and totals less than $5.00 the amount shall be increased to $5.00.

(e) Any unpaid amount due the Corporation by the insured may be deducted from any indemnity payable to the insured by the Corporation or from any loan or any payment made to the insured under any act of Congress, or program, administered by the United States Department of Agriculture.

6. *Insurance period.* Insurance on any insured acreage shall attach at the time the cotton is planted and, with respect to any portion of the crop, shall cease upon removal from the field, upon being housed, or upon disposal of the unharvested crop or transfer of interest in unharvested cotton after harvest has commenced, but in no event shall insurance remain in effect later than the applicable date set forth below:

Alabama: Randolph, Clay, Talladega, Shelby, Tuscaloosa, and Pickens Counties and all Alabama counties lying south thereof, November 15. All other Alabama counties, December 15.

Arizona: January 31.

Arkansas: December 15.

California: January 31.

Georgia: December 15.

Louisiana: November 30.

Mississippi: Noxubee, Winston, Attala, Holmes, Yazoo, and Issaquena Counties and all Mississippi counties lying south thereof, November 30. All other Mississippi counties, December 15.

New Mexico: December 31.

North Carolina: December 31.

Oklahoma: December 31.

South Carolina: December 15.

Tennessee: December 31.

Texas: Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, Kinney Counties, and all Texas counties lying south thereof, September 30. Andrews, Martin, Howard, Mitchell, Scurry, Kent, Dickens, Motley, Hall, and Collingsworth Counties and all Texas counties lying north and west thereof, December 31. All other Texas counties, November 30.

7. *Notice of loss or substantial damage.* (a) If, during the growing season the insured cotton crop on any insurance unit is substantially damaged the insured shall give immediate written notice of such damage to the Corporation at the county office.

(b) If an insured loss occurs on any insurance unit the insured shall give prompt written notice to the Corporation at the county office but in no event shall such notice be given later than (1) 15 days after harvesting is completed on the insurance unit or (2) the end of the insurance period, whichever is earlier.

(c) Any insured acreage which is not to be harvested shall be left intact until the Corporation makes an inspection.

(d) The Corporation may reject any claim for loss if any of the requirements of this section are not met.

8. *Released or damaged acreage.* (a) Any acreage of the insured cotton crop may be released by the Corporation after it is too late to replant to cotton if (1) the Corporation determines that the crop on such acreage is destroyed, or (2) the insured requests a release of acreage which the Corporation determines is not destroyed and agrees to the appraisal by the Corporation of the potential production from such acreage. No insured acreage may be put to another use until the Corporation releases such acreage. If the cotton crop on insured acreage is damaged but the acreage has not been released by the Corporation, proper measures shall be taken to care for the crop and protect it from further damage.

(b) Where released acreage is not put to another use, or is replanted to cotton, the release may be disregarded by the Corporation.

(c) There shall be no abandonment of any crop or portion thereof to the Corporation.

9. *Time of loss.* Any loss shall be deemed to have occurred at the end of the insurance period unless the entire crop on the insurance unit was destroyed earlier in which event the loss shall be deemed to have occurred on the date of such damage as determined by the Corporation.

10. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured establish the production of cotton on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and furnish any other information

regarding the manner and extent of loss as may be required by the Corporation. The cotton stalks on any acreage with respect to which a loss is claimed, shall not be destroyed until the Corporation makes an inspection.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, (2) subtracting therefrom the value (determined in accordance with (d) below) of the total production to be counted for the planted acreage, and (3) multiplying the remainder by the insured interest. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (except harvested production destroyed before being housed or removed from the field and harvested production from acreage not eligible for fourth stage coverage) and in addition any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss or acreage abandoned or put to another use without being released by the Corporation. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with (d) below) of any cotton harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation. Notwithstanding the other provisions of this subsection regarding the determination of the production to be counted, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75 percent of the fixed price for the county, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the fixed price for the county.

(d) In determining any loss under the contract, production shall be valued at the fixed price.

(e) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

11. *Payment of indemnity.* (a) Any indemnity will be payable within thirty days after a claim for loss is approved by the Corporation, but if payment is delayed for any reason, the Corporation shall not be liable for interest or damage on account of such delay.

(b) If the insured dies, is judically declared incompetent or disappears after the planting of the cotton crop in any year, any indemnity which is, or becomes, part of his estate shall be paid to the legal representative of the estate. Should no such representative be qualified, the Corporation may pay the indemnity to the person(s) it determines to be beneficially entitled thereto or to any one or more of such persons on behalf of all such persons, or may withhold payment until a legal representaitve of the estate is qualified. In such cases, and in any other case where an indemnity is claimed by a person(s) other than the original insured or diverse interests appear with respect to any insurance unit, the determination of the Corporation as to the existence or non-existence of a circumstance in the event of which payment may be made and of the person(s) to whom such payment shall be made shall be final and conclusive. Payment of an indemnity shall constitute a complete discharge of the Corporation's obligations with respect to the loss for which such indemnity is paid.

12. *Avoidance of contract.* The Corporation may void the contract without affecting the insured's liability for premium(s) or waiving any right or remedy including the right to collect any unpaid premium(s) if (a) at any time, either before or after loss, the insured has concealed or misrepresented any material fact or committed any fraud relating to the contract, or (b) the insured fails to give any notice or otherwise fails to comply with the terms of the contract at the time and in the manner prescribed. The Corporation may make such avoidance effective as of the beginning of any crop year with respect to which any act or omission referred to in (a) or (b) above occurred.

13. *Life of contract, cancellation or termination thereof.* (a) Subject to the provisions of this section, the contract shall be in effect for the first crop year specified on the application and shall continue in effect for each succeeding crop year until canceled by either the insured or the Corporation. Cancellation may be made by either party giving written notice to the other party on or before the cancellation date which shall be the December 31 preceding the crop year for which the cancellation is to become effective: *Provided, however,* That the contract shall terminate as if canceled by the Corporation prior to such cancellation date if by the applicable termination date set forth below following such cancellation date, any amount due the Corporation under this contract remains unpaid or the insured has not complied with a request by the Corporation that arrangements satisfactory to the Corporation be made for the payment of the following year's premium:

Alabama: Randolph, Clay, Talladega, Shelby, Tuscaloosa, and Pickens Counties and all Alabama counties lying north thereof, April 10. All other Alabama counties, March 31.

Arkansas: April 10.

Mississippi: Noxubee, Winston, Attala, Madison, Hinds and Warren Counties, and all Mississippi counties lying north thereof, April 10. All other Mississippi counties, March 31.

North Carolina: April 10.

South Carolina: April 10.

Tennessee: April 10.

Texas: Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, and Kinney Counties, and all Texas counties lying south thereof, February 28. All other Texas counties, March 31.

All other States: March 31.

Any notice of cancellation by the insured shall be in writing and shall be filed with the county office. The Corporation shall mail any notice of cancellation to the insured's last known address and mailing shall constitute notice to the insured.

(b) If the insured cancels the contract, he shall not be eligible for cotton crop insurance in the county in the next succeeding crop year unless he (1) subsequently applies for insurance on or before the cancellation date preceding such year, or (2) applies for insurance to cover (i) an interest (individual or sharecroppers') not covered by the canceled contract, or (ii) both the individual and sharecropper's interests where only one such interest was covered under the canceled contract.

(c) If the Corporation determines that the county minimum participation requirement established by the Federal Crop Insurance Act, as amended, is not met for any crop year, insurance shall not be in effect for that crop year and the contract shall terminate.

(d) The contract shall terminate upon death or judicial declaration of incompetence of the insured, except that if such death or judicial declaration of incompetence occurs after the beginning of planting of the cotton crop in any crop year but before the end of the insurance period for such year, the contract shall (1) not terminate until the end of such insurance period, and (2) cover any additional cotton planted for the insured or his estate for that crop year.

14. *Transfer of interest.* If the insured transfers all or a part of his insured interest in a cotton crop before the beginning of harvest and the time of loss, the transferee may obtain the benefits of the contract for the current crop year on the interest transferred if within 15 days after the date of transfer he (1) submits to the county office such information concerning the transfer as may be required by the Corporation, and (2) makes arrangements satisfactory to the Corporation for the payment of any unpaid premium on the interest transferred. Upon approval of a transfer of interest by the Corporation, the transferee and transferor shall be jointly and severally liable for any unpaid premium on the interest transferred. Any transfer shall be subject to the conditions of the contract including any collateral assignment made by the transferor, and the Corporation shall not be liable for a greater amount of indemnity in connection with the insured crop than if the transfer had not taken place.

15. *Collateral assignment.* The original insured may assign his right to an indemnity for any year under the contract by executing a form prescribed by the Corporation and upon approval thereof by the Corporation the interest of the assignee will be recognized and the assignee shall have the right to submit the loss notices and forms as required by the contract if the insured neglects or refuses to take such action.

16. *Subrogation.* The insured assigns to the Corporation all rights of recovery against any person(s) for loss or damage to the extent that payment therefor is made by the Corporation, and shall execute all papers required and take such other action as may be necessary to secure such rights.

17. *Other insurance.* If the insured has other insurance, whether valid or not, against (a) more than two of the risks insured against under this contract, or (b) damage by fire during the insurance period, and there is damage from a risk(s) so insured against, the Corporation shall not be liable, unless it otherwise elects, for a greater proportion of any loss under this contract than the coverage under this contract for the insurance unit(s) involved bears to the total of all coverages.

18. *Records and access to farm.* The insured shall keep or cause to be kept, for two years after the time of loss, records of the harvesting, storage, shipment, sale or other disposition of all cotton produced on each insurance unit covered by the contract, and separate records showing the same information for production on any uninsured acreage in the county in which he has an interest. Any persons designated by the Corporation shall have access to such records and the farm(s) for purposes related to the contract.

19. *Forms.* Copies of forms referred to in the contract are available at the county office.

20. *Meaning of terms.* For purposes of the cotton insurance program the terms:

(a) "County" (Parish in Louisiana) means the area shown on the county actuarial table which may include farms located in a local producing area(s) bordering on the county.

(b) "Cotton crop" means only American Upland cotton and does not include cotton planted primarily for experimental purposes.

(c) "County actuarial table" means the form(s) and related materials (including the crop insurance maps) which are approved annually by the Corporation and show the fixed price, the coverage per acre and the premium rates per acre applicable in the county.

(d) "County office" means the Corporation's office for the county shown on the application for insurance or such other office as may be specified by the Corporation from time to time.

(e) "Crop year" means the period within which the cotton crop is planted and normally harvested, and shall be designated by reference to the calendar year in which the crop is planted.

(f) "First cultivation" means the first tillage of the cotton after it is up, which must be performed with an implement (other than a spike tooth or section harrow, rotary hoe, or stalk cutter) designed for use on individual cotton rows for the purpose of working the ground close to the plants.

(g) "Harvest" means the removal of seed cotton from the open cotton boll or the severance of the open cotton boll from the stalk by either manual or mechanical means. For the purpose of determining the stage of production, any acreage shall not be considered as harvested unless (1) the production of lint cotton actually harvested therefrom equals 10 percent or more of the coverage for such acreage in the fourth stage of production, and (2) the Corporation determines as authorized in section 3 that the crop reached the fourth stage of production.

(h) "Laying by" means the completion of the final cultivation, consistent with good farming practices, that would be necessary to carry the crop to harvest.

(i) "Insurance unit" means all insurable acreage of cotton in the county (1) in which the insured has 100 percent interest, plus any acreage owned by him and worked for him by a share tenant(s) or sharecropper(s) or (2) which is owned by the insured and rented to one tenant-operator, or (3) which is owned by one person and operated by the insured as a tenant-operator, or (4) which is owned by one person and worked by the insured as a share tenant or sharecropper. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(j) "New ground acreage" in all States except Arizona, California, and New Mexico, means acreage on which it was necessary to remove or deaden timber and remove undergrowth to carry out established cultural practices. Pasture land, other than woodland pasture, cleared of underbrush and brought into cultivation will not be considered new ground acreage. In Arizona, California, and New Mexico, "new ground acreage" means any acreage which has not been planted to a crop in any one of the previous three crop years, except that acreage in tame hay or rotation pasture during the previous crop year shall not be considered new ground acreage.

(k) "Person" means an individual, partnership, association, corporation, estate, trust or other business enterprise or other legal entity, and wherever applicable, a State, a political subdivision of a state, or any agency thereof.

(l) "Sharecropper" or "share tenant" means a person other than an owner-operator or tenant-operator who works cotton under supervision of a farm operator and is entitled to receive a share of the crop or proceeds therefrom and includes a person employed on the farm of an owner-operator or tenant-operator who receives for his labor the entire interest of such owner-operator or tenant-operator in the cotton crop, or proceeds therefrom, produced on a specified acreage of such farm (for the purpose of the contract the owner-operator or tenant-operator of the farm shall be considered to have an interest in such acreage).

(m) "Tenant-operator" or "tenant" means a person who rents land from another person for a share of the cotton crop, or proceeds therefrom, produced on such land and is responsible for farm management with respect to the production of cotton on such acreage whether produced by his own or other person's(s') labor.

(n) "Owner-operator" means a person who owns land and is responsible for farm management with respect to the production of cotton on such acreage whether produced by his own or other person's(s') labor. Land rented for cash or a fixed commodity payment shall be considered owned by the lessee.

21. *Irrigated acreage.* (a) The acreage of cotton which shall be insured on the basis of irrigated coverage in any year shall not exceed the smaller of (i) that acreage which could be irrigated adequately with the facilities available, taking into consideration the amount of water required to irrigate the acreage of all irrigated crops on the farm, or (ii) that acreage on which one irrigation is carried out in accordance with good farming practices as determined by the Corporation, either before the crop is planted or during the growing season. Insurance shall not attach with respect to acreage planted to cotton the first year after being leveled.

(b) In addition to the causes of loss insured against shown on the first page of this policy the contract shall cover loss in production due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured, including (1) lowering of the water level in pump wells adequate at the beginning of the growing season to the extent that either deepening the well or drilling a new well would be necessary to obtain an adequate supply of water, (2) failure of public power used for pumping or failure of an irrigation district or water company to deliver water where such failure is not within the control of the insured, and (3) the collapse of casing in wells.

(c) The contract shall not cover loss in production caused by (1) failure properly to apply adequate irrigation water to cotton when needed and in accordance with recognized good farming practices for the area, (2) failure to provide adequate casing or properly to adjust the pumping equipment in the event of a lowering of the water level in pump wells when such adjustment can be made without deepening the well, (3) failure properly to apply irrigation water to cotton in proportion to the need of the crop and the amount of water available for all irrigated crops, and (4) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which could be reasonably expected.

NOTE: The reporting and record-keeping requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Adopted by the Board of Directors on October 4, 1955.

[SEAL] C. S. LAIDLAW,
Secretary,
Federal Crop Insurance Corporation.

Approved on October 19, 1955.

TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 55-8538; Filed, Oct. 24, 1955; 8:49 a. m.]

Chapter VIII—Commodity Stabilization Service (Sugar), Department of Agriculture

Subchapter D—Sugar Requirements and Quotas

[Sugar Reg. 814.22, Amdt. 1]

PART 814—ALLOTMENT OF SUGAR QUOTAS

MAINLAND CANE SUGAR AREA, 1955

Correction

In Federal Register Document 55-7688, published at page 7126 in the issue dated September 23, 1955, the table appearing on page 7130 is corrected by changing the headnote over columns (3) and (4) to read: "Past marketings average within allotments, 1950-54"

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

PART 933—ORANGES, GRAPEFRUIT, AND TANGERINES GROWN IN FLORIDA

APPROVAL OF EXPENSES AND FIXING OF RATE OF ASSESSMENT FOR 1955-56 FISCAL PERIOD

On October 5, 1955, notice of proposed rule making was published in the FEDERAL REGISTER (20 F. R. 7399) regarding the expenses and the fixing of the rate of assessment for the 1955-56 fiscal period under Marketing Agreement No. 84, as amended, and Order No. 33, as amended (7 CFR Part 933) regulating the handling of oranges, grapefruit, and tangerines grown in the State of Florida. This regulatory program is effective pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.). After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice, which were submitted by the Growers Administrative Committee (established pursuant to the amended marketing agreement and order) it is hereby found and determined that:

§ 933.209 *Expenses and rate of assessment for the 1955-56 fiscal period.* (a) The expenses necessary to be incurred by the Growers Administrative Committee established pursuant to the provisions of the aforesaid amended marketing agreement and order, for the maintenance and functioning, during the fiscal period beginning August 1, 1955, and ending July 31, 1956, both dates inclusive, of the Growers Administrative Committee and the Shippers Advisory Committee, established under the aforesaid amended marketing agreement and order, will amount to $162,000.00 and the rate of assessment to be paid by each handler shall be four and one-half mills ($0.0045) per standard packed box of fruit shipped by such handler during the said fiscal period; and such rate of assessment is hereby approved as each handler's prorata share of the aforesaid expenses.

(b) As used herein, the terms "standard packed box," "handler," "shipped," and "fruit" shall have the same meaning as is given to each such term in said amended marketing agreement and order.

(c) The provisions hereof shall become effective 30 days after publication in the FEDERAL REGISTER.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: October 20, 1955.

[SEAL] F R. BURKE,
Acting Deputy Administrator

[F. R. Doc. 55-8608; Filed, Oct. 24, 1955; 8:54 a. m.]

PART 1003—DOMESTIC DATES PRODUCED OR PACKED IN LOS ANGELES AND RIVERSIDE COUNTIES OF CALIFORNIA

AMENDMENT OF ADMINISTRATIVE RULES AND REGULATIONS

Pursuant to Marketing Agreement No. 127 and Marketing Order No. 103 (20 F R. 5056) regulating the handling of domestic dates produced or packed in Los Angeles and Riverside Counties of California, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and upon the basis of the recommendations of, and information supplied by, the Date Administrative Committee, the administrative agency for program operations, and other available information, it is hereby ordered that the administrative rules and regulations (20 F R. 6486) issued under said agreement and order be amended as set forth hereinafter.

Paragraph (b) of § 1003.110 is amended by inserting the word "and" between the semi-colon and "(7) " by inserting a period in lieu of the semicolon following the word "inspection," and by deleting the remainder of said paragraph.

Section 1003.117 is amended to read as follows:

§ 1003.117 *Exemptions from regulation*—(a) *Producer Exemptions.* Any date producer, upon obtaining written approval of the committee, may sell dates of his own production directly to consumers, free of the requirements of §§ 1003.45, 1003.72, and 1003.73 in the following outlets:

(1) *Roadside stands or date shops.* Any quantity if sold directly to consumers at roadside stands or date shops at locations specifically approved by the committee.

(2) *Parcel post or express shipments.* Shipments by parcel post or express directly to consumers.

(b) *Handler exemptions.* Any date handler, upon obtaining written approval of the committee, may obtain the following partial exemptions in the following outlets:

(1) *Specialty outlets.* Any quantity if sold to such specialty outlets as health stores or outlets specializing in health foods, as shall be approved by the committee, may be exempt from the moisture requirements of the effective minimum grade.

(2) *Specialty packs.* Any quantity if sold in specialty packs such as glass, tin, wood, plastics, film or other type of containers approved by the committee, may be exempt from the provisions of § 1003.41 (a) *Provided,* That, such dates shall have been packed from dates that have been certified as meeting the effective grade regulations and have not been commingled with other dates.

(3) *Minimum quantity shipments.* Shipments by common carrier not to exceed ten flats of fifteen pounds each, or the equivalent weight in other packs, to any one purchaser in any one day may be exempt from the provisions of § 1003.41 (a) *Provided,* That, such dates shall have been packed from dates that have been certified as meeting the effective grade regulations and have not been commingled with other dates.

(c) *Sales not eligible for exemption.* Except as provided in subparagraphs (b) (1) (2) and (3) of this section no exemption shall be granted on dates sold by producers or handlers to truckers, dealers, retail stores or any other outlet for resale. The committee may, however, upon a finding that inspection is unnecessary, exempt any producer receiving other exemptions hereunder from the requirements of § 1003.41.

(d) *Application to be filed.* Applications for exemption from regulation shall be filed with the committee on producer DAC Form No. 9 or handler DAC Form No. 10, whichever is applicable, at the beginning of each marketing year or as soon thereafter as is practicable. The applications shall show, as applicable: (1) name and address of producer or handler; (2) if dates are to be sold from roadside stands or date shops, the location and description of the place at which the sales are to be made, the estimated quantity to be sold at such location during the marketing year, and the grade of the dates to be sold; (3) if dates are to be sold by mail order, the estimated quantity and grade of the dates to be sold; (4) if dates are to be sold in specialty packs, a detailed description of the type of container in which dates are to be packed, the estimated quantity to be sold in each type of pack, and the procedure for having such dates inspected prior to packing and set aside to prevent commingling with other dates; (5) if dates are to be sold to specialty outlets, the name, address and nature of business of the person or company to whom the dates will be sold, and the estimated quantity of dates that will be sold during the marketing year in such outlets; (6) if dates are to be sold in minimum quantity shipments, the application shall set forth the procedure for having such dates inspected prior to packing and set aside to prevent commingling with other dates, and shall state the estimated quantity to be marketed in this manner during the marketing year. The application shall also contain a certification to the committee and the United States Department of Agriculture, signed by the applicant, that all date sales will conform with the requirements of this part except to the extent that exemption is specifically granted. The applicant shall agree to submit on DAC Form No. 2 such information concerning his exempt sales of dates as may be requested by the committee.

A new § 1003.120 is added, reading as follows:

§ 1003.120 *Diversion of restricted or standard grade dates by export.* Each handler who exports restricted dates or standard grade but non-marketable dates shall certify to the United States Department of Agriculture and the Date Administrative Committee on DAC Form No. 11 that he will include in his export sales contract a provision whereby the buyer agrees that such dates will not re-enter the continental United States, or its territories or possessions, or be reshipped to any country not included on the list of countries approved by the committee for export.

It is hereby found that it is impracticable, unnecessary, and contrary to public interest to give preliminary notice, engage in public rule-making, or postpone the foregoing action later than the date of publication hereof in the FEDERAL REGISTER because new crop dates have already begun to move to market and shipments are expected to reach substantial volume in the near future, and it is necessary that the new regulations governing exemptions be made effective at the earliest practicable date in order that those eligible may be relieved of the obligations covered by such exemptions.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Issued this 20th day of October 1955, to become effective on the date of the publication of this order in the FEDERAL REGISTER.

[SEAL] F. R. BURKE,
Acting Deputy Administrator

[F. R. Doc. 55-8611; Filed, Oct. 24, 1955; 8:54 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6371]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

H. J. STRAUSS FURS

Subpart—*Advertising falsely or misleadingly:* § 13.30 *Composition of goods;* § 13.73 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.90 *History of product or offering;* § 13.135 *Nature:* Product or service; § 13.140 *Old, reclaimed, or reused as new;* § 13.155 *Prices:* Forced or sacrifice sales; Retail or selling as wholesale, jobbing, factory distributors', etc., or discounted; Savings and discounts subsidized; § 13.235 *Source or origin.* Maker or seller, etc., Place: *Foreign, in general.* Subpart—*Misbranding or mislabeling:* § 13.1185 *Composition;* § 13.1212 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.1225 *History;* § 13.1260 *Nature;* § 13.1265 *Old, secondhand, reclaimed or reconstructed product as new;* § 13.1325 *Source or origin.* Maker or seller, etc.. Fur Products Labeling Act; Place: *Foreign, in general.* Subpart—*Misrepresenting*

oneself and goods—Goods: § 13.1590 *Composition;* § 13.1623 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.1650 *History of product;* § 13.1685 *Nature;* § 13.1695 *Old, secondhand, reclaimed or reconstructed as new;* § 13.1745 *Source or origin.* Maker or seller, etc., Place: *Foreign, in general;* [*Misrepresenting oneself and goods*]—Prices: § 13.1813 *Forced or sacrifice sales,*[1] § 13.1820 *Retail or selling as dealer's, wholesale, or factory distributor's.* Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 13.1845 *Composition:* Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.1854 *History of product:* Fur Products Labeling Act; § 13.1870 *Nature:* Fur Products Labeling Act; § 13.1880 *Old, used, reclaimed, or reused as unused or new:* Fur Products Labeling Act; § 13.1900 *Source or origin:* Fur Products Labeling Act: *Maker or seller etc., Place.*

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U. S. C. 45, 69f) [Cease and desist order, Harvey J. Strauss d. b. a. H. J. Strauss Furs, Lowell, Mass., Docket 6371, October 12, 1955]

In the Matter of Harvey J. Strauss, an Individual Doing Business as H. J. Strauss Furs

This proceeding was heard by John Lewis, hearing examiner, upon the complaint of the Commission—which charged the respondent individual with misbranding and falsely advertising fur products in violation of the Fur Products Labeling Act and the Federal Trade Commission Act—and an agreement between counsel for both parties providing for the entry of a consent order in accordance with § 3.25 of the Commission's rules of practice.

Upon this basis, the hearing examiner made his initial decision and order to cease and desist, which by the Commission's order of September 23, 1955, pursuant to § 3.21 of the rules of practice, became on October 12, 1955, the "Decision of the Commission"

The order to cease and desist is as follows:

It is ordered, That respondent, Harvey J. Strauss, an individual doing business as H. J. Strauss Furs, or under any other name, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the advertising or offering for sale of fur products in commerce, or in connection with the sale, advertising, offering for sale, transportation or distribution of fur products which have been made in whole or in part of fur which has been shipped and received in commerce, as "commerce," "fur," and "fur product," are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

1. Failing to affix labels to fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur products as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

(b) That the fur product contains or is composed of used fur, when such is a fact;

(c) That the fur product contains or is composed of bleached, dyed or otherwise artificially colored fur when such is a fact;

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies or waste fur when such is a fact;

(e) The name, or other identification issued and registered by the Commission, of one or more persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce;

(f) The name of the country of origin of any imported furs used in the fur product.

2. Attaching to fur products labels which fail to meet the medium size requirements of Rule 27 of the Rules and Regulations.

3. Setting forth on labels attached to fur products required information in handwriting, or mingled with non-required information.

4. Failing to set forth on labels attached to fur products, an item number or mark assigned to such products.

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices to purchasers of fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the Rules and Regulations;

(b) That the fur product contains or is composed of used fur, when such is a fact;

(c) That the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur when such is a fact;

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur when such is a fact;

(e) The name and address of the person issuing such invoices;

(f) The name of the country of origin of any imported furs contained in the fur product.

2. Setting forth, on invoices pertaining to fur products, required information in abbreviated form.

C. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement or notice, which is intended to aid, promote or assist, directly or indirectly in the sale or offering for sale of fur products, and which:

1. Fails to disclose the name or names of the animal or animals producing the fur or furs contained in the fur products as set forth in the Fur Products Name Guide and as prescribed under the Rules and Regulations;

2. Fails to disclose that fur products contain or are composed of bleached, dyed, or otherwise artificially colored fur when such is the fact;

3. Abbreviates words or terms of required information.

4. Represents, directly or by implication:

(a) That fur products are being offered at or for less than wholesale prices when such is contrary to the fact;

(b) That a sale price enables purchasers of fur products to effectuate any savings in excess of the difference between the said price and the price at which comparable products were sold during the time specified or, if no time is specified, in excess of the difference between said price and the current price at which comparable products are sold;

(c) The aggregate value of fur products to be greater than is the fact;

(d) That fur products are bankrupt stock, or that they were purchased by respondent, or were from the stock of a famous or reputable furrier when such is contrary to the fact.

5. Makes pricing claims or representations of the type referred to in paragraph C (4) (a), (b) or (c) above, unless there is maintained by respondent full and adequate records disclosing the facts upon which such claims and representations are based, as required by Rule 44 (e) of the rules and regulations.

By said "Decision of the Commission," report of compliance was required as follows:

It is ordered, That the respondent herein shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist.

Issued: September 23, 1955.

By the Commission.

[SEAL] JOHN R. HEIN, *Acting Secretary.*

[F. R. Doc. 55-8595; Filed, Oct. 24, 1955; 8:51 a. m.]

[Docket 6385]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

RICE'S FASHION CORNER, INC., ET AL.

Subpart—*Advertising falsely or misleadingly:* § 13.30 *Composition of goods.* Subpart—*Misbranding or mislabeling:* § 13.1190 *Composition: Wool Products Labeling Act:* § 13.1325 *Source or origin:* Maker or seller, etc.. *Wool Products Labeling Act.* Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* Sec. 13.1845 *Composition:* Wool Products Labeling Act; § 13.1900 *Source or origin:* Wool Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, secs. 2-5, 54 Stat. 1128-1130; 15 U. S. C. 45, 68-68c) [Cease and desist order, Rice's Fashion Corner, Inc., et al., Norfolk, Va., Docket 6385, October 12, 1955.]

[1] New.

In the Matter of Rice's Fashion Corner Inc., a Corporation, and Irwin G. Rice (referred to in the Complaint as Irving G. Rice) and Maurice Nordlinger Individually and as Officers of Said Corporation

This proceeding was heard by William L. Pack, hearing examiner, upon the complaint of the Commission—charging respondents with misbranding and false advertising of ladies' weskit and skirt combinations and other wool products, in violation of the Wool Products Labeling Act and the Federal Trade Commission Act—and an agreement between the parties providing for the entry of a consent order in accordance with § 3.25 of the Commission's rules of practice.

Upon this basis, the hearing examiner made his initial decision and order to cease and desist, which by the Commission's order of September 23, 1955, pursuant to § 3.21 of the rules of practice, became, on October 12, 1955, the "Decision of the Commission"

The order to cease and desist is as follows:

It is ordered, That the respondent, Rice's Fashion Corner, Inc., a corporation, and its officers and respondent Maurice Nordlinger, individually and as an officer of said corporation, and respondent Irwin G. Rice, individually and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or offering for sale, sale, transportation or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, of ladies' weskit and skirt combinations or other "wool products" as such products are defined in and subject to the Wool Products Labeling Act of 1939, which products contain, purport to contain, or in any way are represented as containing "wool," "reprocessed wool" or "reused wool," as those terms are defined in said Act, do forthwith cease and desist from misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers included therein;

2. Failing to securely affix to or place on each such product a stamp, tag, label or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool products, exclusive of ornamentation not exceeding five percentum of said total fiber weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such wool products, of any non-fibrous loading, filling, or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool products or of one or more persons engaged in introducing such wool products into commerce, or in the offering for sale, sale, transportation, distribution or delivery for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939, and

3. Failing to securely affix to or place on each separate piece of such products a stamp, tag, label or other means of identification as required by Rule 12 of the rules and regulations promulgated under the Wool Products Labeling Act of 1939:

Provided, That the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939, and

Provided further That nothing contained in this order shall be construed as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder.

It is further ordered, That respondent Rice's Fashion Corner, Inc., a corporation, and its officers, and respondent Maurice Nordlinger, individually and as an officer of said corporation, and respondent Irwin G. Rice, individually, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of ladies' weskit and skirt combinations or other products, do forthwith cease and desist from:

Misrepresenting the constituent fibers of which their products are composed or the percentages or amounts thereof, in advertisements or in any other manner.

By said "Decision of the Commission", report of compliance was required as follows:

It is ordered, That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: September 23, 1955.

By the Commission.

[SEAL] JOHN R. HEIM, *Acting Secretary.*

[F. R. Doc. 55-8596; Filed, Oct. 24, 1955; 8:51 a .m.]

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

TOLERANCES FOR RESIDUES OF SULPHENONE (*p*-CHLOROPHENYL PHENYL SULFONE)

A petition was filed with the Food and Drug Administration requesting the establishment of tolerances for residues of Sulphenone (*p*-chlorophenyl phenyl sulfone) in or on certain raw agricultural commodities.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purposes for which tolerances are being established.

After consideration of the data submitted in the petition and other relevant material which show that the tolerances established in this order will protect the public health, and by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408 (d) (2) 68 Stat. 512; 21 U. S. C. 346a (d) (2)) and delegated to the Commissioner of Food and Drugs by the Secretary (21 CFR 120.7 (g), 20 F R. 759), the regulations for tolerances and exemptions from tolerances for pesticide chemicals in or on raw agricultural commodities (21 CFR Part 120; 20 F R. 1473) are amended as follows:

1. Section 120.101 (c) (5) (i) is amended by adding to the list of chlorinated hydrocarbons the name "Sulphenone (*p*-chlorophenyl phenyl sulfone) "

2. Part 120 is amended by adding the following new section:

§ 120.112 *Tolerances for residues of Sulphenone (p-chlorophenyl phenyl sulfone)* A tolerance of 8 parts per million for residues of Sulphenone (*p*-chlorophenyl phenyl sulfone) is established in or on each of the following raw agricultural commodities: Apples, peaches, pears.

Any person who will be adversely affected by the foregoing order may, at any time prior to the thirtieth day from the effective date thereof, file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D. C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by this order, specify with particularity the provisions of the order deemed objectionable and reasonable grounds for the objections, and request a public hearing upon the objections. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective upon publication in the FEDERAL REGISTER.

(Sec. 701, 52 Stat. 1055; 21 U. S. C. 371. Interpret or apply sec. 408, 68 Stat. 512; 21 U. S. C. 346a)

Dated: October 19, 1955.

[SEAL] JOHN L. HARVEY, *Acting Commissioner of Food and Drugs.*

[F. R. Doc. 55-8566; Filed, Oct. 24, 1955; 8:45 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

[Rev. S. O. 908]

PART 95—CAR SERVICE

SUBSTITUTION OF REFRIGERATOR CARS FOR BOX CARS

At a session of the Interstate Commerce Commission, Division 3, held at

its office in Washington, D. C., on the 19th day of October A. D. 1955.

It appearing that the number of freight cars available for the movement of box car freight in the States of Oregon, Idaho, Utah, California, Arizona, and Nevada, has seriously decreased recently that at present the supply is insufficient to move such freight traffic of carriers serving those States; that there are certain SFRD, PFE and WP refrigerator cars in that territory not suitable for transporting commodities requiring protective service and that such cars are suitable for transporting other freight; in the opinion of the Commission an emergency exists requiring immediate action in Oregon, Idaho, Utah, California, Arizona and Nevada: It is ordered, that:

§ 95.908 *Substitution of refrigerator cars for box cars.* (a) (1) Except as provided in subparagraph (2) of this paragraph, common carriers by railroad subject to the Interstate Commerce Act transporting carload freight from origin in the States of Oregon, Idaho, Utah, California, Arizona, or Nevada, and destined to points in the States of Oregon, Idaho, Utah, California, Arizona or Nevada, may, at their option, furnish and transport not more than three (3) refrigerator cars of SFRD, PFE or WP ownership, not suitable for transporting commodities requiring protective service, in lieu of each box car ordered, subject to the car load minimum weight which would have applied if shipment had been loaded in a box car.

(2) On shipments on which the carload minimum weight varies with the size of the car:

(i) Two (2) refrigerator cars not suitable for transporting commodities requiring protective service may be furnished in lieu of one (1) box car ordered of a length of 40' 7" or less, subject to the carload minimum weight which would have applied if the shipment had been loaded in a box car of the size ordered.

(ii) Three (3) refrigerator cars not suitable for transporting commodities requiring protective service may be furnished in lieu of one (1) box car ordered of a length of over 40' 7" but not over 50' 7" subject to the carload minimum weight which would have applied if the shipment had been loaded in a box car of the size ordered.

(b) Application: The provisions of this section shall apply to shipments not in intrastate commerce as well as to those moving in interstate commerce.

(c) Effective date: This section shall become effective at 8:00 a. m., October 20, 1955.

(d) Expiration date: This section shall expire at 11:59 p. m., December 31, 1955, unless otherwise modified, changed, suspended or annulled by order of the Commission.

(e) Rules and regulations suspended: The operation of all rules and regulations insofar as they conflict with the provisions of this section is hereby suspended.

(f) Announcement of suspension: Each of such railroads, or its agents, shall publish, file, and post a supplement to each of its tariffs affected hereby, in substantial accordance with the provisions of Rule 9 (k) of the Commission's Tariff Circular No. 20 (§ 141.9 (k) of this chapter) announcing the suspension of any of the provisions therein.

It is further ordered, that a copy of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(Sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12. Interprets or applies sec. 1, 24 Stat. 379, as amended; 49 U. S. C. 1)

By the Commission, Division 3.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F. R. Doc. 55-8594; Filed, Oct. 24, 1955; 8:51 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

PART 257—SALE OR LEASE OF SMALL TRACTS, NOT EXCEEDING FIVE ACRES, FOR RESIDENCE, RECREATION, BUSINESS, OR COMMUNITY SITES

APPLICATION; GENERAL PROCEDURE; CORRECTION

OCTOBER 19, 1955.

The application form referred to in Federal Register Document 55-7642 appearing on page 7256 of the issue for September 29, 1955, should be Form 4-776.

EDWARD WOOZLEY, *Director.*

[F. R. Doc. 55-8569; Filed, Oct. 24, 1955; 8:46 a. m.]

Appendix C—Public Land Orders

[Public Land Order 1235]

[Misc. 02646]

FLORIDA

RESERVING CERTAIN PUBLIC LANDS AS ADDITION TO NATIONAL KEY DEER REFUGE

Correction

In Federal Register Document 55-8250, published on page 7605 of the issue for Wednesday, October 12, 1955, the third line of the land description should read "T. 66 S., R. 29 E.,"

[Public Land Order 1237]

[Misc. 23706]

[Misc. 36753]

COLORADO AND UTAH

AMENDING PUBLIC LAND ORDER NO. 1223 OF SEPTEMBER 13, 1955

Public Land Order No. 1223 of September 13, 1955, appearing as Document No. 55-7546 in 20 F. R. 7007 of the issue for September 17, 1955, is hereby amended as follows:

1. By deleting from paragraph 4 (a) of the order the words "and applications and offers under the mineral-leasing laws", and by substituting for the words "Such applications, selections and offers * * *" in the last sentence of paragraph 4 (a) the words "Such applications and selections * * *"

2. By deleting from paragraph 4 (a) (3) of the order the words "and applications and offers under the mineral-leasing laws"

3. By deleting from paragraph 4 (b) of the order the words "and the reserved minerals in the patented lands described in paragraph 3"

The original orders of withdrawal (Public Land Orders No. 459, 494 and 745) were not a bar to the issuance of mineral leases for the lands.

WESLEY A. D'EWART, *Assistant Secretary of the Interior.*

OCTOBER 19, 1955.

[F. R. Doc. 55-8567; Filed, Oct. 24, 1955; 8:45 a. m.]

[Public Land Order 1238]

[Fairbanks 07357]

ALASKA

WITHDRAWING PUBLIC LANDS FOR USE BY CIVIL AERONAUTICS ADMINISTRATION AS A TERMINAL AIRPORT; MODIFYING AND ENLARGING AIR NAVIGATION SITE WITHDRAWAL NO. 186 OF AUGUST 15, 1942; REVOKING PUBLIC LAND ORDER NO. 92 OF FEBRUARY 19, 1943

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, and section 4 of the act of May 24, 1928 (45 Stat. 729; 49 U. S. C. 214) it is ordered as follows:

1. Subject to valid existing rights, the following-described public lands are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining and the mineral-leasing laws, and reserved as follows:

(a) Under the jurisdiction of the Secretary of Commerce for use by the Civil Aeronautics Administration as a terminal airport:

FAIRBANKS MERIDIAN

T. 1 S., R. 1 W.,
Sec. 18, E½NW¼, lots 1, 2, and 3;
Sec. 19, lots 1, 2, and 3.
T. 1 S., R. 2 W.,
Sec. 23, E½SE¼,
Sec. 24, E½.

The areas described aggregate 652.62 acres.

(b) Under the jurisdiction of the Secretary of Commerce for use by the Civil Aeronautics Administration as an addition to Air Navigation Site Withdrawal No. 186:

FAIRBANKS MERIDIAN

T. 1 S., R. 2 W.,
Sec. 23, lot 1, NE¼NE¼.

The areas described aggregate 61.82 acres.

2. The Departmental order of August 15, 1942 (Air Navigation Site Withdrawal No. 186) withdrawing lands for use of the Department of Commerce in the maintenance of air-navigation facilities is hereby revoked so far as its affects the following-described lands:

FAIRBANKS MERIDIAN

T. 1 S., R. 2 W.,
Sec. 13, lot 8 (NE¼SE¼).

The areas described, aggregating 55.11 acres, are embraced in an allowed homestead entry for which final certificate was issued November 8, 1948.

3. Public Land Order No. 92 of February 19, 1943, which withdrew the following-described lands for use of the Alaska Road Commission as an Administrative Site is hereby revoked:

FAIRBANKS MERIDIAN

T. 1 S., R. 2 W.,
Sec. 24, NE¼.

The area described aggregating 160 acres, is included in the withdrawal made by paragraph 1 of this order.

WESLEY A. D'EWART,
Assistant Secretary of the Interior

OCTOBER 19, 1955.

[F. R. Doc. 55-8568; Filed, Oct. 24, 1955; 8:46 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 1]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

BANKING INSTITUTIONS

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U. S. C. 7805)

[SEAL] O. GORDON DELK,
Acting Commissioner of Internal Revenue.

The following regulations relating to banking institutions are hereby promulgated under subchapter H of chapter 1 of the Internal Revenue Code of 1954, and are effective for taxable years beginning after December 31, 1953, and ending after August 16, 1954.

BANKING INSTITUTIONS

RULES OF GENERAL APPLICATION

Sec.
1.581 Statutory provisions; definition of bank.
1.581–1 Tax on banks.
1.581–2 Mutual savings banks, building and loan associations, and cooperative banks.
1.582 Statutory provisions; bad debt and loss deduction with respect to securities held by banks.
1.582–1 Bad debt and loss deduction with respect to securities held by banks.
1.583 Statutory provisions; deductions of dividends paid on certain preferred stock.
1.584 Statutory provisions; common trust funds.
1.584–1 Common trust funds.
1.584–2 Income of participants in common trust fund.
1.584–3 Computation of common trust fund income.
1.584–4 Admission and withdrawal of participants in the common trust fund.
1.584–5 Returns of banks with respect to common trust funds.
1.584–6 Net operating loss deduction.

MUTUAL SAVINGS BANKS, ETC.

1.591 Statutory provisions; deduction for dividends paid on deposits.
1.591–1 Deduction for dividends paid on deposits.
1.592 Statutory provisions; deduction for repayment of certain loans.
1.592–1 Repayment of certain loans by mutual savings banks, building and loan associations, and cooperative banks.
1.593 Statutory provisions; additions to reserve for bad debts.
1.593–1 Additions to reserve for bad debts.
1.593–2 Additions to reserve for bad debts where surplus, reserves, and undivided profits equal or exceed 12 percent of deposits or withdrawable accounts.
1.594 Statutory provisions; alternative tax for mutual savings banks conducting life insurance business.
1.594–1 Mutual savings banks conducting life insurance business.

BANK AFFILIATES

1.601 Statutory provisions; special deduction for bank affiliates.
1.601–1 Special deduction for bank affiliates.

BANKING INSTITUTIONS

RULES OF GENERAL APPLICATION

§ 1.581 *Statutory provisions; definition of bank.*

SEC. 581. *Definition of bank.* For purposes of sections 582 and 584, the term "bank" means a bank or trust company incorporated and doing business under the laws of the United States (including laws relating to the District of Columbia), of any State, or of any Territory, a substantial part of the business of which consists of receiving deposits and making loans and discounts, or of exercising fiduciary powers similar to those permitted to national banks under section 11 (k) of the Federal Reserve Act (38 Stat. 262; 12 U. S. C. 248 (k)), and which is subject by law to supervision and examination by State, Territorial, or Federal authority having supervision over banking institutions. Such term also means a domestic building and loan association.

§ 1.581–1 *Tax on banks.* A bank, as defined in section 581, is subject to the tax on corporations imposed by section 11.

§ 1.581–2 *Mutual savings banks, building and loan associations, and cooperative banks.* (a) Mutual savings banks, building and loan associations, and cooperative banks not having capital stock represented by shares are subject to tax as in the case of other corporations. For special rules governing the taxation of a mutual savings bank conducting a life insurance business, see section 594 and § 1.594–1.

(b) While the general principles for determining the taxable income of a corporation are applicable to a mutual savings bank, a building and loan association, or a cooperative bank not having capital stock represented by shares, there are certain exceptions and special rules governing the computation in the case of such institutions. See section 593 and § 1.593–1 for special rules concerning additions to reserves for bad debts. See section 591 and § 1.591–1, relating to dividends paid by banking corporations, for special rules concerning deductions for amounts paid to, or credited to the accounts of, depositors or holders of withdrawable accounts as dividends. See also section 592 and § 1.592–1, relating to deductions for repayment of certain loans.

(c) For the purpose of computing the net operating loss deduction provided in section 172, any taxable year for which a mutual savings bank, building and loan association, or a cooperative bank not having capital stock represented by shares was exempt from tax shall be disregarded. Thus, no net operating loss carryover shall be allowed from a taxable year beginning before January 1, 1952, and, in the case of any taxable year beginning after December 31, 1951, the amount of the net operating loss carryback or carryover from such year shall not be reduced by reference to the income of any taxable year beginning before January 1, 1952.

§ 1.582 *Statutory provisions; bad debt and loss deduction with respect to securities held by banks.*

SEC. 582. *Bad debt and loss deduction with respect to securities held by banks*—(a) *Securities.* Notwithstanding sections 165 (g) (1) and 166 (e), subsections (a), (b), and (c) of section 166 (relating to allowance of deduction for bad debts) shall apply in the case of a bank to a debt which is evidenced by a security as defined in section 165 (g) (2) (C).

(b) *Worthless stock in affiliated bank.* For purposes of section 165 (g) (1), where the taxpayer is a bank and owns directly at least 80 percent of each class of stock of another bank, stock in such other bank shall not be treated as a capital asset.

(c) *Bond, etc., losses of banks.* For purposes of this subtitle, in the case of a bank, if the losses of the taxable year from sales or exchanges of bonds, debentures, notes, or certificates, or other evidences of indebtedness, issued by any corporation (including one issued by a government or political subdivision thereof), with interest coupons or in registered form, exceed the gains of the taxable year from such sales or exchanges, no such sale or exchange shall be considered a sale or exchange of a capital asset.

§ 1.582–1 *Bad debt and loss deduction with respect to securities held by banks.* A bank, as defined in section 581, is allowed a deduction for bad debts to the extent and in the manner provided by subsections (a), (b) and (c) of section 166 with respect to a debt which has become worthless in whole or in part and which is evidenced by a security (a bond, debenture, note, certificate, or other evidence of indebtedness to pay a fixed or determinable sum of money) issued by any corporation (including governments and their political subdivisions) with interest coupons or in registered form.

§ 1.583 *Statutory provisions; deductions of dividends paid on certain preferred stock.*

SEC. 583. *Deductions of dividends paid on certain preferred stock.* In computing the taxable income of any national banking association, or of any bank or trust company organized under the laws of any State, Territory, possession of the United States, or the Canal Zone, or of any other banking corporation engaged in the business of industrial banking and under the supervision of a State banking department or of the Comptroller of the Currency, or of any incorporated domestic insurance company, there shall be allowed as a deduction from gross income, in addition to deductions otherwise provided for in this subtitle, any dividend (not including any distribution in liquidation) paid, within the taxable year, to the United States or to any instrumentality thereof exempt from Federal income taxes, on the prefered stock of the corporation owned by the United States or such instrumentality. The amount allowable as a deduction under this section shall reduce the deduction for dividends paid otherwise computed under section 561.

§ 1.584 *Statutory provisions; common trust funds.*

SEC. 584. *Common trust funds*—(a) *Definitions.* For purposes of this subtitle, the term "common trust fund" means a fund maintained by a bank—

(1) Exclusively for the collective investment and reinvestment of moneys contributed thereto by the bank in its capacity as a trustee, executor, administrator, or guardian; and

(2) In conformity with the rules and regulations, prevailing from time to time, of the Board of Governors of the Federal Reserve System pertaining to the collective investment of trust funds by national banks.

(b) *Taxation of common trust funds.* A common trust fund shall not be subject to taxation under this chapter and for purposes of this chapter shall not be considered a corporation.

(c) *Income of participants in fund*—(1) *Inclusions in taxable income.* Each participant in the common trust fund in computing its taxable income shall include, whether or not distributed and whether or not distributable—

(A) As part of its gains and losses from sales or exchanges of capital assets held for not more than 6 months, its proportionate share of the gains and losses of the common trust fund from sales or exchanges of capital assets held for not more than 6 months;

(B) As part of its gains and losses from sales or exchanges of capital assets held for more than 6 months, its proportionate share of the gains and losses of the common trust fund from sales or exchanges of capital assets held for more than 6 months;

(C) Its proportionate share of the ordinary taxable income or the ordinary net loss of the common trust fund, computed as provided in subsection (d).

(2) *Dividends and partially tax exempt interest.* The proportionate share of each participant in the amount of dividends to which section 34 or section 116 applies, and in the amount of partially tax exempt interest on obligations described in section 35 or section 242, received by the common trust fund shall be considered for purposes of such sections as having been received by such participant. If the common trust fund elects under section 171 (relating to amortizable bond premium) to amortize the premium on such obligations, for purposes of the preceding sentence the proportionate share of the participant of such interest received by the common trust fund shall be his proportionate share of such interest (determined without regard to this sentence) reduced by so much of the deduction under section 171 as is attributable to such share.

(d) *Computation of common trust fund income.* The taxable income of a common trust fund shall be computed in the same manner and on the same basis as in the case of an individual, except that—

(1) There shall be segregated the gains and losses from sales or exchanges of capital assets;

(2) After excluding all items of gain and loss from sales or exchanges of capital assets, there shall be computed—

(A) An ordinary taxable income which shall consist of the excess of the gross income over deductions; or

(B) An ordinary net loss which shall consist of the excess of the deductions over the gross income;

(3) The deduction provided by section 170 (relating to charitable, etc., contributions and gifts) shall not be allowed; and

(4) The standard deduction provided in section 141 shall not be allowed.

(e) *Admission and withdrawal.* No gain or loss shall be realized by the common trust fund by the admission or withdrawal of a participant. The withdrawal of any participating interest by a participant shall be treated as a sale or exchange of such interest by the participant.

(f) *Different taxable years of common trust fund and participant.* If the taxable year of the common trust fund is different from that of a participant, the inclusions with respect to the taxable income of the common trust fund, in computing the taxable income of the participant for its taxable year, shall be based upon the taxable income of the common trust fund for any taxable year of the common trust fund ending within or with the taxable year of the participant.

(g) *Net operating loss deduction.* The benefit of the deduction for net operating losses provided by section 172 shall not be allowed to a common trust fund, but shall be allowed to the participants in the common trust fund under regulations prescribed by the Secretary or his delegate.

§ 1.584–1 *Common trust funds*—(a) *Method of taxation.* A common trust fund maintained by a bank is not subject to taxation under this chapter and is not considered a corporation. Its participants are taxed on their proportionate share of income from the common trust fund. Except as otherwise provided in §§ 1.584–1 to 1.584–6, inclusive, the term "participant" refers to any trust or estate, the moneys of which have been contributed to the common trust fund.

(b) *Conditions for qualification.* Under section 584, two conditions must be satisfied by a fund maintained by a bank (as defined in section 581) before such fund may be designated as a "common trust fund." These conditions are that such fund must be maintained by such a bank:

(1) Exclusively for the collective investment and reinvestment of moneys contributed thereto by the bank, whether acting alone or in conjunction with one or more co-fiduciaries, but solely in its capacity (i) As a trustee of a trust created by will, deed, agreement, declaration of trust, or order of court, (ii) as an executor of the will of, or as an administrator of the estate of, a deceased person, or (iii) as a guardian (by whatever name known under local law) of the estate of an infant, of an incompetent individual, or of an absent individual; and

(2) In conformity with the rules and regulations, prevailing from time to time, of the Board of Governors of the Federal Reserve System pertaining to the collective investment of trust funds by national banks, whether or not the bank maintaining such fund is a national bank or a member of the Federal Reserve System.

§ 1.584–2 *Income of participants in common trust fund.* (a) Each participant in a common trust fund is required to include in computing its taxable income for its taxable year within which or with which the taxable year of the fund ends, whether or not distributed and whether or not distributable:

(1) Its proportionate share of the gains and losses from sales or exchanges of capital assets held for not more than six months, computed as provided in § 1.584–3, as part of its gains and losses from sales or exchanges of capital assets held for not more than six months;

(2) Its proportionate share of the gains and losses from sales or exchanges of capital assets held for more than six months, computed as provided in § 1.584–3, as part of its gains and losses from sales or exchanges of capital assets held for more than six months; and

(3) Its proportionate share of the ordinary taxable income or the ordinary

net loss of the common trust fund, computed as provided in § 1.584–3.

(b) (1) Each participant's proportionate share in the amount of dividends to which section 34 or section 116 applies received by the common trust fund shall be deemed to have been received by such participant as such dividends.

(2) Each participant's proportionate share in the amount of partially tax exempt interest described in section 35 or section 242 received by the common trust fund shall be deemed to have been received by such participant as such interest. If the common trust fund elects under section 171 (relating to amortizable bond premium) to amortize the premium on such obligations, for purposes of the preceding sentence the proportionate share of each participant of such interest received by the fund shall be his proportionate share of such interest (determined without regard to this sentence) reduced by so much of the deduction under section 171 as is attributable to such shares. See section 171 and the regulations thereunder.

(3) Any tax withheld at the source from income of the fund shall be deemed to have been withheld proportionately from the participants to whom such income is allocated.

(c) (1) The proportionate share of each participant in gains and losses from sales or exchanges of capital assets held for not more than six months, gains and losses from sales or exchanges of capital assets held for more than six months, ordinary taxable income or ordinary net loss, dividends received, partially exempt interest, and tax withheld at the source shall be determined under the method of accounting adopted by the bank in accordance with the written plan under which the common trust fund is established and administered, provided such method clearly reflects the income of each participant.

(2) The items of income and deductions are, therefore, to be allocated to the periods between valuation dates within the taxable year established by such plan in which they were realized or sustained, and the ordinary taxable income or ordinary net loss, gains and losses from sales or exchanges of capital assets held for not more than six months, and gains and losses from sales or exchanges of capital assets held for more than six months computed for each such period. The proportionate shares of the participants in such items are then to be determined.

(3) The provisions of subparagraph (2) of this paragraph may be illustrated by the following example:

Example. (i) The plan of a common trust fund provides for quarterly valuation dates and for the computation and the distribution of the income upon a quarterly basis, except that there shall be no distribution of capital gains. The participants are as follows: Trusts A, B, C, and D for the first quarter; Trusts A, B, C, and E for the second quarter; and Trusts A, B, F, and G for the third and fourth quarters, the participants having equal participating interests. As computed upon the quarterly basis, the ordinary taxable income, the short-term capital gain, and the long-term capital loss for the taxable year were as follows:

	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Ordinary taxable income	$200	$300	$200	$400	$1,100
Short-term capital gain	200	100	200	100	600
Long-term capital loss	100	200	100	200	600

(ii) The participants' shares of ordinary taxable income are as follows:

PARTICIPANTS' SHARES OF ORDINARY TAXABLE INCOME

Participant	First quarter	Second quarter	Third quarter	Fourth quarter	Total
A	$50	$75	$50	$100	$275
B	50	75	50	100	275
C	50	75	-------	-------	125
D	50	-------	-------	-------	50
E	-------	75	-------	-------	75
F	-------	-------	50	100	150
G	-------	-------	50	100	150
Total	200	300	200	400	1,100

(iii) The participants' shares of the short-term capital gain are as follows:

PARTICIPANTS' SHARES OF SHORT-TERM CAPITAL GAIN

Participant	First quarter	Second quarter	Third quarter	Fourth quarter	Total
A	$50	$25	$50	$25	$150
B	50	25	50	25	150
C	50	25	-------	-------	75
D	50	-------	-------	-------	50
E	-------	25	-------	-------	25
F	-------	-------	50	25	75
G	-------	-------	50	25	75
Total	200	100	200	100	600

(iv) The participants' shares of the long-term capital loss are as follows:

PARTICIPANTS' SHARES OF LONG-TERM CAPITAL LOSS

Participant	First quarter	Second quarter	Third quarter	Fourth quarter	Total
A	$25	$50	$25	$50	$150
B	25	50	25	50	150
C	25	50	-------	-------	75
D	25	-------	-------	-------	25
E	-------	50	-------	-------	50
F	-------	-------	25	50	75
G	-------	-------	25	50	75
Total	100	200	100	200	600

(4) If in the above example the common trust fund also had short-term capital losses and long-term capital gains, the treatment of such gains or losses would be similar to that accorded to the short-term capital gains and long-term capital losses in the above example.

(d) The provisions of Subparts A, B, C, D, and E of Part I of Subchapter J of this chapter are applicable in determining the extent to which each participant's proportionate share of the income of the common trust fund is taxable to the participant, or to the beneficiaries or the grantor of the participant.

§ 1.584–3 *Computation of common trust fund income.* The taxable income of the common trust fund shall be computed in the same manner and on the same basis as in the case of an individual, except that:

(a) No deduction shall be allowed under section 170 (relating to charitable, etc., contributions and gifts),

(b) The gains and losses from sales or exchanges of capital assets of the common trust fund are required to be segregated. A common trust fund is not allowed the benefit of the capital loss carryover provided by section 1212;

(c) The ordinary taxable income (the excess of the gross income over deductions) or the ordinary net loss (the excess of the deductions over the gross income) shall be computed after excluding all items of gain and loss from sales or exchanges of capital assets; and

(d) The standard deduction provided in section 141 shall not be allowed.

§ 1.584–4 *Admission and withdrawal of participants in the common trust fund.*—(a) *Gain or loss.* The common trust fund realizes no gain or loss by the admission or withdrawal of a participant, and the basis of the assets and the period for which they are deemed to have been held by the common trust fund for the purposes of section 1202 are unaffected by such an admission or withdrawal. If a participant withdraws the whole or any part of its participating interest from the common trust fund, such withdrawal shall be treated as a sale or exchange by the participant of the participating interest or portion thereof which is so withdrawn. A participant is not deemed to have withdrawn any part of its participating interest in the common trust fund so as to have completed a closed transaction by reason of the segregation and administration of an investment of the fund, pursuant to the provisions of subdivision (c) (7) of section 17 of Regulations F of the Board of Governors of the Federal Reserve System, as amended, for the benefit of all the then participants in the common trust fund. Such segregated investment shall be considered as held by, or on behalf of, the common trust fund for the benefit ratably of all participants in the common trust fund at the time of segregation, and any income or loss arising from its administration and liquidation shall constitute income or loss to the common trust fund apportionable among the participants for whose benefit the investment was segregated.

(b) *Basis for gain or loss upon withdrawal.* The participant's gain or loss upon withdrawal of its participating interest or portion thereof shall be measured by the difference between the amount received upon such withdrawal and the adjusted basis of the participating interest or portion thereof withdrawn plus the additions prescribed in paragraph (c) of this section and minus the reductions prescribed in paragraph (d) of this section. The amount received by the participant shall be the sum of any money plus the fair market value of property (other than money) received upon such withdrawal. The basis of the participating interest or portion thereof withdrawn shall be the money contributed by the participant to the common trust fund to acquire the participating interest or portion thereof withdrawn. Such basis shall not be re-

duced on account of the segregation of any investment in the common trust fund pursuant to the provisions of subdivision (c) (7) of section 17 of Regulations F of the Board of Governors of the Federal Reserve System, as amended. For the purpose of making the adjustments, additions, and reductions with respect to basis as prescribed in this paragraph, the ward, rather than the guardian, shall be deemed to be the participant; and the grantor, rather than the trust, shall be deemed to be the participant, to the extent that the income of the trust is taxable to the grantor under subpart E of part I of subchapter J.

(c) *Additions to basis.* As prescribed in paragraph (b) of this section, in computing the gain or loss upon the withdrawal of a participating interest or portion thereof, there shall be added to the basis of the participating interest or portion thereof withdrawn an amount equal to the aggregate of the following items (to the extent that they were properly allocated to the participant for a taxable year of the common trust fund and were not distributed to the participant prior to withdrawal)

(1) Wholly exempt income of the common trust fund for any taxable year,

(2) Net income of the common trust fund for the taxable years beginning after December 31, 1935, and prior to January 1, 1938,

(3) Net short-term capital gain of the common trust fund for each taxable year beginning after December 31, 1937,

(4) The excess of the gains over the losses recognized to the common trust fund for each taxable year beginning after December 31, 1937, and before January 1, 1942, upon sales or exchanges of capital assets held for more than 18 months, and for more than 6 months for taxable years beginning after December 31, 1941, and

(5) Ordinary net or taxable income of the common trust fund for each taxable year beginning after December 31, 1937.

(d) *Reductions in basis.* As prescribed in paragraph (b) of this section, in computing the gain or loss upon the withdrawal of a participating interest or portion thereof, the basis of the participating interest or portion thereof withdrawn shall be reduced by such portions of the following items as were allocable to the participant with respect to the participating interest or portion thereof withdrawn:

(1) The amount of the excess of the allowable deductions of the common trust fund over its gross income for the taxable years beginning after December 31, 1935, and before January 1, 1938, and

(2) The amount of the net short-term capital loss, net long-term capital loss, and ordinary net loss of the common trust fund for each taxable year beginning after December 31, 1937.

§ 1.584–5 *Returns of banks with respect to common trust funds.* For rules applicable to filing returns of common trust funds, see section 6032 and the regulations thereunder.

§ 1.584–6 *Net operating loss deduction.* The net operating loss deduction is not allowed to a common trust fund. Each participant in a common trust fund, however, will be allowed the benefits of such deduction. In the computation of such deduction, a participant in a common trust fund shall take into account its pro rata share of the income and losses of the common trust fund in the same manner as prescribed by section 702 and § 1.702–1 in the case of partners.

MUTUAL SAVINGS BANKS, ETC.

§ 1.591 *Statutory provisions; deduction for dividends paid on deposits.*

SEC. 591. *Deduction for dividends paid on deposits.* In the case of mutual savings banks, cooperative banks, and domestic building and loan associations, there shall be allowed as deductions in computing taxable income amounts paid to, or credited to the accounts of, depositors or holders of accounts as dividends on their deposits or withdrawable accounts, if such amounts paid or credited are withdrawable on demand subject only to customary notice of intention to withdraw.

§ 1.591–1 *Deduction for dividends paid on deposits*—(a) *In general.* (1) A mutual savings bank not having capital stock represented by shares, a domestic building and loan association, and a cooperative bank without capital stock organized and operated for mutual purposes and without profit may deduct from gross income amounts which during the taxable year are paid to or credited to the accounts of depositors or holders of accounts, as dividends on their deposits or withdrawable accounts, if such amounts paid or credited are withdrawable on demand subject only to customary notice of intention to withdraw.

(2) The deduction provided in section 591 is applicable to the taxable year in which amounts credited as dividends become withdrawable by the depositor or holder of account subject only to customary notice of intention to withdraw. Thus, amounts credited as dividends as of the last day of the taxable year which are not withdrawable by depositors or holders of accounts until the following business day are deductible under section 591 in the year subsequent to the taxable year in which they were credited. A deduction under this section will not be denied by reason of the fact that the amounts credited as dividends, otherwise deductible under section 591, are subject to the terms of a pledge agreement between the institution and the depositor or holder of account. In the case of a building and loan association having nonwithdrawable capital stock represented by shares, no deduction is allowable under this section for amounts paid or credited as dividends on such shares.

(b) *Serial associations, bonus plans, etc.* If a building and loan association operates in whole or in part as a serial association, maintains a bonus plan, or issues shares subject to fines, penalties, forfeitures, or other withdrawal fees, it may deduct under section 591 the total amount credited as dividends upon such shares, credited to a bonus account for such shares, or allocated to a series of shares for the taxable year, notwithstanding that as a customary condition of withdrawal:

(1) Amounts invested in, and earnings credited to, series shares must be withdrawn in multiples of even shares, or

(2) Such association has the right, pursuant to by-law, contract, or otherwise, to retain or recover a portion of the total amount invested in, or credited as earnings upon, such shares, such bonus account, or series of shares, as a fine, penalty, forfeiture, or other withdrawal fee.

In any taxable year in which the right referred to in subparagraph (2) of this paragraph is exercised, there is includible in the gross income of such association for such taxable year amounts retained or recovered by the association pursuant to the exercise of such right.

§ 1.592 *Statutory provisions; deduction for repayment of certain loans.*

SEC. 592. *Deduction for repayment of certain loans.* In the case of a mutual savings bank not having capital stock represented by shares, a domestic building and loan association, or a cooperative bank without capital stock organized and operated for mutual purposes and without profit, there shall be allowed as deductions in computing taxable income amounts paid by the taxpayer during the taxable year in repayment of loans made before September 1, 1951, by (1) the United States or any agency or instrumentality thereof which is wholly owned by the United States, or (2) any mutual fund established under the authority of the laws of any State.

§ 1.592–1 *Repayment of certain loans by mutual savings banks, building and loan associations, and cooperative banks.* There is deductible, under section 592, from the gross income of a mutual savings bank not having capital stock represented by shares, a domestic building and loan association, or a cooperative bank without capital stock organized and operated for mutual purposes and without profit, amounts paid by such institutions during the taxable year in repayment of loans made before September 1, 1951, by the United States or any agency or instrumentality thereof which is wholly owned by the United States, and amounts paid to a mutual fund established under the authority of the laws of any State. For example, amounts paid by such institution in repayment of loans made by the Reconstruction Finance Corporation before September 1, 1951, are deductible under this section. Section 591 is not applicable, however, in the case of amounts paid to an agency or instrumentality not wholly owned by the United States.

§ 1.593 *Statutory provisions; additions to reserve for bad debts.*

SEC. 593. *Additions to reserve for bad debts.* In the case of a mutual savings bank not having capital stock represented by shares, a domestic building and loan association, and a cooperative bank without capital stock organized and operated for mutual purposes and without profit, the reasonable addition to a reserve for bad debts under section 166 (c) shall be determined with due regard to the amount of the taxpayer's surplus or bad debt reserves existing at the close of December 31, 1951. In the case of a taxpayer described in the preceding sentence, the rea-

sonable addition to a reserve for bad debts for any taxable year shall in no case be less than the amount determined by the taxpayer as the reasonable addition for such year; except that the amount determined by the taxpayer under this sentence shall not be greater than the lesser of—

(1) The amount of its taxable income for the taxable year, computed without regard to this section, or

(2) The amount by which 12 percent of the total deposits or withdrawable accounts of its depositors at the close of such year exceeds the sum of its surplus, undivided profits, and reserves at the beginning of the taxable year.

§ 1.593–1 *Additions to reserve for bad debts*—(a) *In general.* A mutual savings bank not having capital stock represented by shares, a domestic building and loan association, and a cooperative bank without capital stock organized and operated for mutual purposes and without profit may, as an alternative to a deduction from gross income for specific debts which become worthless in whole or in part, deduct amounts credited to a reserve for bad debts in the manner and under the circumstances prescribed in this section. In the case of such an institution, the selection of the reserve method for treating bad debts may be made in the return for its first taxable year beginning after December 31, 1951, and shall be subject to the approval of the Commissioner upon examination of the return. If the method selected is approved, it must be followed in returns for subsequent years, unless permission is granted by the Commissioner to change to another method. Application for permission to change the method of treating bad debts shall be made at least 30 days prior to the close of the taxable year for which the change is to be effective.

(b) *Addition to reserve.* Except as otherwise provided in § 1.593–2, the reasonable addition to a reserve for bad debts shall be any amount determined by the taxpayer which does not exceed the lesser of:

(1) The amount of its taxable income for the taxable year, computed without regard to section 593 and without regard to any section providing for a deduction the amount of which is dependent upon the amount of taxable income (such as section 170, relating to charitable, etc., contributions and gifts) or

(2) The amount by which 12 percent of the total deposits or withdrawable accounts of its depositors at the close of such year exceeds the sum of its surplus, undivided profits, and reserves at the beginning of the taxable year.

(c) *Adjustments to reserve.* Bad debt losses sustained during the taxable year shall be charged against the bad debt reserve. Recoveries of debts charged against the bad debt reserve during a prior taxable year in which this institution was subject to tax under this chapter or under chapter 1 of the Internal Revenue Code of 1939 shall be credited to the bad debt reserve. The establishment of such reserve and all adjustments made thereto must be reflected on the regular books of account of the institution at the close of the taxable year, or as soon as practicable thereafter. Minimum amounts credited in compliance with Federal or State statutes, regulations, or supervisory orders to reserve or similar accounts, or additional amounts credited to such reserve or similar accounts and permissive under such statutes, regulations, or orders, against which charges may be made for the purpose of absorbing losses sustained by an institution, will be deemed to have been credited to the bad debt reserve.

(d) *Definitions.* When used in this section and in § 1.593–2:

(1) *Institution.* The term "institution" means either a mutual savings bank not having capital stock represented by shares, a domestic building and loan association as defined in section 7701 (a) (19) or a cooperative bank without capital stock organized and operated for mutual purposes and without profit.

(2) *Surplus, undivided profits, and reserves.* (i) The phrase "surplus, undivided profits, and reserves" means the amount by which the total assets of an institution exceed the amount of the total liabilities of such an institution.

(ii) For this purpose the term "total assets" means the sum of money, plus the aggregate of the adjusted basis of the property other than money, held by an institution. Such adjusted basis for any asset is its adjusted basis for determining gain upon sale or exchange for Federal income tax purposes. (See sections 1011 through 1022, and the regulations thereunder. For special rules with respect to adjustments to basis for prior taxable years during which the institution was exempt from tax, see section 1016 (a) (3) and the regulations thereunder.) The determination of the total assets of any taxpayer shall conform to the method of accounting employed by such taxpayer in determining taxable income and to the rules applicable in determining its earnings and profits.

(iii) The term "total liabilities" means all liabilities of the taxpayer, which are fixed and determined, absolute and not contingent, and includes those items which constitute liabilities in the sense of debts or obligations. The total deposits or withdrawable accounts, as defined in subparagraph (3) of this paragraph, shall be considered a liability. In the case of a building and loan association having permanent nonwithdrawable capital stock represented by shares, the paid-in amount of such stock shall also be considered a liability. Reserves for contingencies and other reserves, however, which are mere appropriations of surplus, are not liabilities.

(3) *Total deposits or withdrawable accounts.* The phrase "total deposits or withdrawable accounts" means the aggregate of (i) amounts placed with an institution for deposit or investment and (ii) earnings outstanding on the books of account of the institution at the close of the taxable year which have been credited as dividends upon such accounts prior to the close of the taxable year, except that such term, in the case of a building and loan association, does not include permanent nonwithdrawable capital stock represented by shares, or earnings credited thereon.

(e) *Examples.* The provisions of this section may be illustrated by the following examples:

Example (1). (i) Institution X, which keeps its books on the basis of the calendar year, has surplus, reserves, and undivided profits of $800,000 as of January 1, 1955, and total deposits or withdrawable accounts of $10,000,000 as of December 31, 1955. During 1955 the institution credits $30,000, as required by a Federal agency, to a Federal insurance reserve for the sole purpose of absorbing losses. Likewise, it credits $25,000, as permitted by State statute, to another reserve fund for the purpose of absorbing losses. In 1955 Institution X charges $5,000 against its bad debt reserve for losses sustained during the taxable year.

(ii) The taxable income of Institution X for the taxable year 1955, computed without regard to section 593 and without regard to any section providing for a deduction the amount of which is dependent upon the amount of taxable income, is $200,000.

(iii) Upon the basis of the facts as stated in subdivision (i) above, the amount by which 12 percent of the total deposits or withdrawable accounts of Institution X at the close of taxable year 1955 exceeds the sum of such institution's surplus, undivided profits, and reserves at the beginning of the taxable year is $400,000 (12% of $10,000,000, minus $800,000).

(iv) Institution X, therefore, may deduct, for the taxable year 1955, as an addition to a reserve for bad debts, any amount it may determine that does not exceed the lesser of the amounts determined in subdivision (ii) or (iii) above. That amount is $200,000 (as determined in subdivision (ii) above). Since under paragraph (c) of this section, the $30,000 credited to the reserve as required by the Federal agency and the $25,000 credited to the reserve as permitted by the State statute are regarded as amounts credited to a reserve for bad debts account, Institution X can credit an additional $145,000 ($200,000 minus $55,000) to a general reserve for bad debts account at any time during the taxable year.

(v) The loss of $5,000 charged to the bad debt reserve during the taxable year does not affect the amount of the addition to the bad debt reserve provided for in paragraph (b) of this section. It is of significance only in determining the surplus, undivided profits, and reserves of Institution X as of January 1, 1956.

Example (2). The taxable income of Institution Y for the taxable year 1955, computed without regard to the deduction under section 593 and without regard to any section providing for a deduction the amount of which is dependent upon the amount of taxable income, is determined to be $250,000. The amount by which 12 percent of the total deposits or withdrawable accounts of Institution Y at the close of the taxable year exceeds the sum of such institution's surplus, undivided profits, and reserves at the beginning of the taxable year is $500,000. Institution Y credits $250,000 to its bad debt reserve in 1955. In 1957, it is determined that the correct taxable income of Institution Y for 1955, computed without regard to any deduction under section 593 and without regard to any section providing for a deduction the amount of which is dependent upon the amount of taxable income, is $275,000 and not $250,000. Assuming that Institution Y credits the additional $25,000 to its bad debt reserve, $275,000 is allowable as a deduction from gross income for such institution for the taxable year 1955.

§ 1.593–2 *Additions to reserve for bad debts where surplus, reserves, and undivided profits equal or exceed 12 percent of deposits or withdrawable accounts.* Where 12 percent of the total deposits or withdrawable accounts of an institution at the close of the taxable year is equal to or less than the sum of such institution's surplus, undivided profits,

and reserves at the beginning of the taxable year, a reasonable addition to the reserve for bad debts as determined under the general provisions of section 166 (c) may be allowable as a deduction from gross income. In making such determination, there shall be taken into account (a) surplus or bad debt reserves existing at the close of December 31, 1951 (i. e., the amount of surplus, undivided profits, and reserves accumulated prior to January 1, 1952, and in existence at the close of December 31, 1951) and (b) changes in the surplus, undivided profits, and reserves of the institution from December 31, 1951, until the beginning of the taxable year. A deduction for an addition to the reserve for bad debts pursuant to this section will be authorized only in those cases where the institution proves to the satisfaction of the Commissioner that the bad debt experience of the institution warrants an addition to the reserve for bad debts in excess of that provided in § 1.593–1 (b) For definitions, see § 1.593–1 (d)

§ 1.594 *Statutory provisions; alternative tax for mutual savings banks conducting life insurance business.*

SEC. 594. *Alternative tax for mutual savings banks conducting life insurance business*—(a) *Alternative tax.* In the case of a mutual savings bank not having capital stock represented by shares, authorized under State law to engage in the business of issuing life insurance contracts, and which conducts a life insurance business in a separate department the accounts of which are maintained separately from the other accounts of the mutual savings bank, there shall be imposed in lieu of the taxes imposed by section 11 or section 1201 (a), a tax consisting of the sum of the partial taxes determined under paragraphs (1) and (2)

(1) A partial tax computed on the taxable income determined without regard to any items of gross income or deductions properly allocable to the business of the life insurance department, at the rates and in the manner as if this section had not been enacted; and

(2) A partial tax computed on the taxable income (as defined in section 803) of the life insurance department determined without regard to any items of gross income or deductions not properly allocable to such department, at the rates and in the manner provided in subchapter L (sec. 801 and following) with respect to life insurance companies.

(b) *Limitations of section.* Subsection (a) shall apply only if the life insurance department would, if it were treated as a separate corporation, qualify as a life insurance company under section 801.

§ 1.594–1 *Mutual savings banks conducting life insurance business*—(a) *Scope of application.* Section 594 applies to the case of a mutual savings bank not having capital stock represented by shares which conducts a life insurance business, if:

(1) The conduct of the life insurance business is authorized under State law,

(2) The life insurance business is carried on in a separate department of the bank,

(3) The books of account of the life insurance business are maintained separately from other departments of the bank, and

(4) The life insurance department of the bank would, if it were treated as a separate corporation, qualiffy as a life insurance company under section 801.

(b) *Computation of tax.* In the case of a mutual savings bank conducting a life insurance business to which section 594 is applicable, the tax upon such bank consists of the sum of the following:

(1) A partial tax computed under section 11 upon the taxable income of the bank determined without regard to any items of income or deduction properly allocable to the life insurance department, and

(2) A partial tax upon the taxable income (as defined in section 803) of the life insurance department determined without regard to any items of income or deduction not properly allocable to such department at the rates and in the manner provided in subchapter L with respect to life insurance companies.

BANK AFFILIATES

§ 1.601 *Statutory provisions; special deduction for bank affiliates.*

SEC. 601. *Special deduction for bank affiliates.* In the case of a holding company affiliate (as defined in section 2 of the Banking Act of 1933; 12 U. S. C. 221a (c)), there shall be allowed as a deduction, for purposes of section 535 (b) (8) (relating to the computation of accumulated taxable income) and section 545 (b) (6) relating to the computation of undistributed personal holding company income), the amount of the earnings and profits which the Board of Governors of the Federal Reserve System certifies to the Secretary or to his delegate has been devoted by such affiliate during the taxable year to the acquisition of readily marketable assets other than bank stock in compliance with section 5144 of the Revised Statutes (12 U. S. C. 61). The amount of the deduction under this section for any taxable year shall not exceed the taxable income for such year computed without regard to the special deductions for corporations provided in part VIII (except section 248) of subchapter B (section 241 and following, relating to the deduction for dividends received by corporations, etc.). The aggregate of the deductions allowable under this section and the credits allowable under the corresponding provision of any prior income tax law for all taxable years shall not exceed the amount required to be devoted under such section 5144 to such purposes.

§ 1.601–1 *Special deduction for bank affiliates.* (a) The special deduction described in section 601 is allowed:

(1) To a holding company affiliate of a bank, as defined in section 2 of the Banking Act of 1933 (12 U. S. C. 221a), which holding company affiliate holds, at the end of the taxable year, a general voting permit granted by the Board of Governors of the Federal Reserve System.

(2) In the amount of the earnings or profits of such holding company affiliate which, in compliance with section 5144 of the Revised Statutes (12 U. S. C. 61), has been devoted by it during the taxable year to the acquisition of readily marketable assets other than bank stock.

(3) Upon certification by the Board of Governors of the Federal Reserve System to the Commissioner that such an amount of the earnings or profits has been so devoted by such affiliate during the taxable year.

No deduction is allowable under section 601 for the amount of readily marketable assets in excess of what is required by section 5144 of the Revised Statutes (12 U. S. C. 61) to be acquired by such affiliate, or in excess of the taxable income for the taxable year computed without regard to the special deductions for corporations provided in sections 241–247, inclusive. Nor may the aggregate of the deductions allowable under section 601 and the credits allowable under the corresponding provision of any prior income tax law for all taxable years exceed the amount required to be devoted under such section 5144 to the acquisition of readily marketable assets other than bank stock.

(b) Every taxpayer claiming a deduction provided for in section 601 shall attach to its return a supplementary statement setting forth all the facts and information upon which the claim is predicated, including such facts and information as the Board of Governors of the Federal Reserve System may prescribe as necessary to enable it, upon the request of the Commissioner subsequent to the filing of the return, to certify to the Commissioner the amount of earnings or profits devoted to the acquisition of such readily marketable assets. A certified copy of such supplementary statement shall be forwarded by the taxpayer to the Board of Governors at the time of the filing of the return. The holding company affiliate shall also furnish the Board of Governors such further information as the Board shall require. For the requirements with respect to the amount of such readily marketable assets which must be acquired and maintained by a holding company affiliate to which a voting permit has been granted, see section 5144 (b) and (c) of the Revised Statutes (12 U. S. C. 61).

[F. R. Doc. 55–8200; Filed, Oct. 24, 1955; 8:52 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 937]

[AO—264]

HANDLING OF CELERY GROWN IN FLORIDA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND ORDER

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (43 Stat. 31, as amended; 7 U. S. C. 601 et seq., 68 Stat. 906, 1047), and the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900; 19 F. R. 57) a public hearing was held at Winter Haven, Florida, on March 28–31, 1955, pursuant to notice thereof which was published in the FEDERAL REGISTER (20 F. R. 1217) upon proposed Marketing Agreement No. 124 and proposed Marketing Order No. 37 (hereinafter referred to as the "order") regulating the handling of celery grown in Florida.

Upon the basis of the evidence introduced at the aforesaid hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on August 19, 1955, filed with the Hearing Clerk, U. S. Department of Agriculture,

his recommended decision in this proceeding. The notice of the filing of such recommended decision affording opportunity to file written exceptions thereto was published August 24, 1955, in the FEDERAL REGISTER (20 F R. 6171)

Rulings. Within the period provided therefor, interested parties filed exceptions to certain of the findings, conclusions, and actions recommended by the Deputy Administrator. A set of exceptions was filed through their attorney on behalf of Herbert G. Behrens; William Bush, Jr., W P Chapman; Chase & Co., M. L. Cullum; Donald Dunn; C. M. Flowers; L. T. Frazier; J. L. Jackson; W A. Leffler· L. C. Leonardy· A. B. Mahoney· F T. Meriwether; W B. Miller· F W Pope; W W Tyre; Joder Cameron; E. A. Londenberg; Karl Daull, H. L. Gary· A. M. Jones; and W T. Walker. In arriving at the findings, conclusions, and regulatory provisions of this decision each of such exceptions was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings, conclusions and actions decided upon herein are at variance with any of the exceptions, such exceptions are overruled.

To the extent that suggested findings and conclusions proposed by interested parties are inconsistent with the findings and conclusions contained herein, the specific or implied requests to make such findings and reach such conclusions are denied on the basis of the facts found and stated in connection with the conclusions herein set forth.

Material issues. The material issues presented on the record of the hearing are as follows:

(1) The existence of the right to exercise federal jurisdiction;

(2) The need for the proposed regulatory program to effectuate the declared purposes of the act;

(3) The definition of the commodity and determination of the production area to be affected by the order;

(4) The identity of the persons and transactions to be regulated; and

(5) The specific terms and provisions of the order including:

(a) Definitions of terms used therein which are necessary and incidental to attain the declared objectives of the act, and including all those set forth in the notice of hearing, among which are those applicable to the following additional terms and provisions;

(b) The establishment, maintenance, composition, powers, duties, and operation of a committee, which shall be the administrative agency for assisting the Secretary in administration of the program;

(c) The authority for the committee to incur expenses and to levy assessments on celery handled;

(d) The authority for establishment of celery marketing research and development projects;

(e) The methods for limiting the grade, size, and quality of celery which may be handled under the order;

(f) The method for fixing the size, capacity, weight, dimensions, or pack of containers which may be used in the packaging, transportation, sale, shipment, or handling of celery;

(g) The prohibition of unfair trade practices or unfair methods of competition in the handling of celery·

(h) The issuance of volume regulations, the methods for establishing prorate bases and the fixing of allotments or modifications thereof;

(i) The methods for establishing reporting requirements with respect to handlers of celery·

(j) Requirements with respect to notice in connection with applications for prorate bases, allotments, and regulations;

(k) The methods for establishing minimum standards of quality and maturity·

(l) The methods for authorizing special regulations applicable to the handling of celery for specified purposes or to specified outlets which may be handled under special regulations that are modifications or amendments to grade, size, and quality regulations;

(m) The necessity for inspection and certification of celery being handled pursuant to the proposed order;

(n) The relaxation of regulation in hardship cases and the methods and procedures applicable thereto;

(6) The requirements of compliance with all provisions of the order and with regulations issued pursuant thereto; and

(7) Additional terms and conditions as set forth in §§ 937.80 through 937.95 and published in the FEDERAL REGISTER (20 F R. 1217) on February 26, 1955, which are common to marketing agreements and orders.

Findings and conclusions. The following findings and conclusions relate to the above stated material issues developed at the aforementioned hearing and they are based on the record of such hearing. All findings and conclusions and all the terms and conditions of the marketing agreement and order are based on substantial evidence in the hearing record and such findings and conclusions are determined adequate and specific with respect to each and all of the terms and conditions of such proposed order.

(1) Florida celery is sold in and transported to markets both within and outside the State. Reports on carlot unloads of certain fruits and vegetables for 1952, also for 1953, show marketings of Florida celery in most major United States markets east of the Mississippi. Market news reports and summaries thereof for various seasons, such as 1949 through 1954, issued by the Market News Service of the United States Department of Agriculture, show daily sales prices of Florida celery at shipping point, also weekly price ranges at major terminal markets, such as New York, Chicago, Philadelphia, Pittsburgh, Detroit, and Boston. Daily market news reports for the 1954 season through March 11, 1955, show sales of celery in Cincinnati, Pittsburgh, Baltimore, Detroit, New York, Atlanta, Dallas, Birmingham, St. Louis, Chicago, Cleveland, Boston, Philadelphia, and Kansas City, as well as in Miami, Jacksonville, Tampa, Sanford, Belle Glade, and Sarasota.

Florida celery is transported both by rail and by truck. Total shipments for the 1952–53 Florida crop are estimated as 14,282 carlot equivalents, of which 10,126 cars were shipped by rail and the balance of 4,156 carlots were handled by truck. Similar distribution by rail and truck is shown for other seasons. The above combined rail and truck movement for the 1952–53 season accounts for over ninety percent of the 6,474,000 crates estimated as total Florida celery production for that season. Distribution of Florida celery shipments during the same 1952–53 season was to 40 States and to Canada. The great bulk of Florida celery which is handled commercially is transported to and sold in markets outside the production area. The remainder is sold in or transported to markets within the State.

Florida celery is sold in different ways, but sales usually follow customary patterns. The customary methods of sale are on a cash basis, or on f. o, b. shipping point, delivered sales, or on a consigned basis. Whenever Florida celery is so sold or transported, such transactions in the commodity have a direct influence on the celery market. Handlers of Florida celery, if they successfully maintain a balanced competitive position, must make full and constant use of modern means of communication so that they can keep up with market price changes and supply movements of Florida celery both within the production area and at market points outside thereof. This constant attention by celery handlers to prices and movement of celery within the State as well as outside thereof is an essential activity of such handlers in seeking the highest return they can get for celery which they have to handle, or in seeking to purchase celery to their own best advantage if they should attempt to obtain additional supplies to fill orders at hand. Every opportunity for advantageous sale is eagerly sought by celery handlers, and advantageous sales are made regardless of whether celery is sold at shipping point, or at destination, or in consuming markets within the State of Florida, or in Atlanta, Birmingham, Boston, Chicago, Detroit, New York, Pittsburgh, or any other market beyond the production area. It is a primary essential in assessing the market outlook and in making sales for successful celery handlers to survey all accessible markets with a view to accepting the most advantageous opportunities and offers to market their product. Such constant attention to the varying shifts in prices and in movement of supplies places Florida celery handlers in positions whereby they can react quickly to such changes whether they occur within the State or outside the State. In turn, the complete and close attention which Florida celery handlers give to changes in prices and in movement of supply help to create the institution referred to as "the celery market." The Florida celery "market" is closely tied together through modern communication so that buyers and sellers both within the State and outside the State know almost simultaneously of price changes or movement of supply which may immediately or subsequently affect Florida celery prices. The market for Florida celery is a combination of

all the phenomena that relate to the supply of celery in the producing area, the supply that is available for immediate marketing, the supply for marketing later, the quality of such supply, the supply of celery in competing areas with various ramifications of quality and availability, prices quoted by sellers at shipping point and in receiving markets as well as some other points between, and a large number of additional factors that influence both buyers and sellers in helping them to conclude sales of celery.

The factors which make up the celery market are intermingled and interdependent as between shipping point and terminal markets. Shifts in the immediate supply of Florida celery available at shipping point causes changes in the prices at shipping point which in turn are soon reflected in prices changes at receiving markets. Also, as price changes occur in sales of Florida celery in receiving markets these price changes are soon reflected at shipping points. For example, if weather at shipping points turns cool, both buyers and sellers may, and frequently do, change their judgments with respect to supplies that are available or are about to become available and price changes occur in local markets. Such price changes in local markets are soon reflected in terminal markets. If weather in the producing area should become hot and remain so, supplies available for harvest may increase faster than buyers and sellers have previously estimated so that the increased available quantities, with possible changes in quality too, may tend to depress prices at shipping point which information soon becomes known in receiving markets where buyers and sellers adjust their offers and acceptances accordingly. Changes in the supply of celery grown in the State of Florida, or any part thereof, have a direct effect on both terminal market and shipping point prices for all celery. Celery grown in any portion of the production area and marketed at any given time competes with other celery being marketed whether such other celery is grown in other portions of or outside of the production area.

Information with respect to daily sales of Florida celery in terminal markets such as Atlanta, New Orleans, Chicago, Cleveland, Pittsburgh, New York, Boston, and Philadelphia is supplied by public agencies, such as the Market News Service of the United States Department of Agriculture, to any and all handlers, as well as other persons, who request it. This information is followed closely by handlers of Florida celery as a means of keeping abreast of general price levels for celery and of price changes as well as supply movements in various markets. Handlers also obtain additional information of similar nature through their trade connections in the various markets and shipping points. Public agencies supply information with respect to prices and shipments of celery from shipping points. This public and private service enables handlers to maintain constant integration of market information between shipping points and receiving markets.

Many shipping point handlers of Florida celery sell to truckers, as well as to their usual receiving market outlets. Sales to truckers frequently are on a cash basis. Some truckers maintain a constant and established business in the sale and transportation of Florida celery between customary shipping points and usual outlets either within the State or outside the State. On the other hand, some truckers may buy and load Florida celery for the stated purpose of transporting to and selling it in a market within the State. However, if they received information that they can sell to better advantage at an out-of-state market such truckers frequently continued to transport such celery to out-of-state markets contrary to their original intent at time of shipping point purchase.

Any sale or transportation of Florida celery whether to markets within the State or to markets outside the State has a direct influence upon other handling of Florida celery being marketed. To leave the sale or transportation of Florida celery within the State free from the authority of the order while having the sale or transportation of the major portion of the Florida celery transported to or sold outside the State subject to regulation thereunder would create chaotic market conditions within the State which would result in an excessive burden upon the sale and movement of celery to points outside the State and thereby tend to prevent the effectuation of the declared policy of the act.

The phenomena making up the market for Florida celery constitute commerce which is so inextricably intermingled that all sale and transportation of such celery is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce. Therefore, all such transportation and sale of celery grown in the production area should be subject to the authority of the act and of the order which may be issued pursuant thereto. Upon the hearing record evidence, the findings and conclusions in the recommended decision of the Deputy Administrator, Agricultural Marketing Service with respect to the rights to exercise Federal jurisdiction by means of an order for Florida celery are affirmed and adopted. All sales of Florida celery are in the current of interstate commerce or they burden, obstruct, or affect such commerce. All sales of Florida celery by a retailer in his capacity as a retailer or by a producer in his capacity as a producer are exempted by the act from authority to regulate by the order, consequently, the definition of handle should provide specifically for such exceptions.

(2) The declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is, through the exercise of the powers authorized by such act and incorporated in the order, to establish and maintain such orderly marketing conditions for Florida celery, among other agricultural commodities, in interstate commerce as will establish as the prices to farmers, parity prices.

Florida celery producers have not received parity prices during the past several seasons as shown by Exhibit 29. Since the end of World War II and beginning with the 1946 season, Florida celery producers have received parity prices or better for the winter crop in 3, namely 1946, 1947, and 1949, of the succeeding nine crops and for the spring crop in one, the 1947, season.

The 1954 season average price for the winter crop of Florida celery was 72 percent of the Florida parity equivalent; 1953, 50 percent; 1952, 60 percent; 1951, 74 percent; and 1950, 67 percent. The 1954 season average price for the spring crop of Florida celery was 60 percent of the Florida parity equivalent; 1953, 97 percent; 1952, 78 percent; 1951, 59 percent; and 1950, 61 percent. The relationship of season average prices for Florida celery to Florida parity equivalent prices of such celery is such that the powers granted by the act may be exercised through the order to help producers of such celery obtain parity prices for their commodity. Although some growers receive higher season average prices for their celery than the season average prices shown in Exhibit 29, an equal number or weight received the lower prices, so that the returns of the majority of producers are reflected in the prices of the past several seasons which are below parity.

Marketing conditions for Florida celery should be improved, according to evidence, not only because prices to growers have been below parity, but also because there have been numerous occasions during recent past season when f. o. b. shipping point celery prices were less then marketing costs, which include such direct costs as harvesting, packing, cooling, and sales. The record also shows that marketing conditions can be improved by prohibiting the marketing of discounted grades, sizes, and quality of celery and by limiting the volume of shipments from the production area so that grower prices which are below the cost of marketing may be avoided. Although the record shows that, because of competitive celery shipments from other areas, there are limits to which volume control may be effective in promoting Florida celery growers' prices that tend toward parity, the Florida celery industry, through the exercise of the powers granted in the order, should be able to limit shipments of excessive volume so that sales at less than cost of marketing may be avoided. The Florida celery industry also needs the marketing assistance which may be obtained through exercise of the powers granted in the order so that by reason of volume control, or grade, size, and quality control, or both, grower prices may be improved toward parity to the extent that it is possible within limitations of the act and the limitations imposed by competition from supplies originating in other producing areas.

F. o. b. shipping point prices of Florida celery vary considerably from week to week throughout the season. Such variations are directly effected by the amount of Florida celery handled and by the grade, size, and quality of such celery. Shipments of excess quantities of Florida celery, also shipments of off grades and discounted sizes, have tended to maintain prices below parity and to

prevent the establishment of orderly marketing conditions.

Florida Pascal celery prices, f. o. b. shipping point, in the Sanford-Oviedo-Zellwood section, ranged from $1.00 to $3.00 per crate for 2–3 dozen size during the 1954 season (ending in the spring of 1954) Similar fluctuations occurred the same season in that section for four dozen sizes, ranging from $1.00 to $2.50 per crate. A comparable range in prices for 6–10 dozen size Pascal in the same section for that season was $1.25 to $3.00 per crate.

Shipping point prices in the Belle Glade section were comparable during the same season ranging from $1.15 to $3.25 per crate for 2–3 dozen size Pascal, and from $1.25 to $2.75 per crate for 6–10 dozen size. In the Sarasota section, comparable f. o. b. shipping point prices during the 1954 season ranged from $1.15 to $3.00 per crate for 2–3 dozen size Pascal, and from $1.50 to $2.50 per crate for 6–10 dozen size Pascal.

During the same season prices of Golden celery in the Sanford-Oviedo-Zellwood section ranged from $1.25 to $3.75 per crate for 3–4 dozen size. Prices for Golden celery in the Belle Glade area followed a similar course and ranged from $1.15 to $3.50 per crate for 3–4 dozen size. The low points on the Golden celery prices which were in late April in the Sanford-Oviedo and in the Belle Glade areas occurred at the time when prices for Pascal celery also were at their lowest points of the season.

Total weekly rail and truck shipments of Florida celery during the same season ranged from 423 carlots equivalent during the second week of January 1954 to 792 carlots during the second week of April. Total carlot movement of Florida celery fluctuated more than one hundred cars from one week to another during parts of the season. Shipping point prices were lowest for the season during the periods of heaviest carlot movement.

Similarly, f. o. b. shipping point prices for Florida Pascal and Golden celery fluctuated in much the same manner for the 1949, 1950, 1951, 1952, and 1953 seasons. For example, during the 1952–53 season, f. o. b. shipping point prices of Florida celery in the Sanford-Oviedo-Zellwood section ranged from $1.25 to $4.25 per crate for 2–3 dozen size Pascal, and for 3–4 dozen size Golden they ranged from a low of $1.40 per crate in the third week of March to a high of $4.50 per crate the first week in May. F o. b. prices in Belle Glade, the same season ranged from $1.50 to $3.00 per 2–3 dozen size for Pascal type and for 2–4 dozen Golden celery they varied from a low of $1.40 in the third week of February and again in the third week in March to a high of $3.50 per crate in the second and third weeks in May. The daily and weekly variations in the price of Golden celery closely followed the variation in the price of Pascal celery.

Total weekly carlot shipments by rail and truck during the 1952–53 season ranged from 424 to 737 cars per week, with total weekly shipments varying as much as 180 cars from one week to the next during the height of the shipping season.

During the 1951–52 season f. o. b. shipping point prices for Florida celery in the Sanford-Oviedo section ranged from $1.35 to $3.25 per crate for 2–3 dozen size Pascal and for 3–4 dozen size Golden ranged from a low of $1.75 to a high of $4.50 per crate. F o. b. prices for the same sizes of Golden celery in the Belle Glade section followed a similar pattern ranging from $1.50 to $4.50 per crate. Prices of Golden celery during that season again closely followed the daily and weekly variations of prices of Pascal celery Weekly truck and rail shipments of Florida celery during the same season ranged from 434 carlots equivalent to 886 carlots, fluctuating as much as 344 cars from one week to the next.

In the 1950–51 season, f. o. b. prices for Florida celery in the Sanford-Oviedo section ranged from $1.35 to $5.00 per crate for 3–4 dozen size Pascal and they averaged from $1.35 to $5.50 per crate on 3–4 dozen size Golden. Prices for Pascal celery in the Belle Glade area ranged similarly for the 3–4 dozen size from $1.50 to $6.00 per crate. Prices of Golden celery again followed Pascal celery and varied from day to day and week to week approximately the same as Pascal celery prices. Weekly truck and rail shipments of Florida celery ranged from 314 to 836 carlots equivalent, fluctuating as much as 180 carlots from one week to the next.

In the 1949–50 season, f. o. b. prices for Florida celery in the Sanford-Oviedo section ranged from $1.15 to $3.50 per crate for 3–4 dozen size Pascal, and for 3–4 dozen size Golden, they ranged from $1.25 per crate in the third week of March to $3.75 per crate in the first week of May. Prices of Golden celery fluctuated from day to day and week to week at much the same level as prices of Pascal celery. Total weekly truck and rail shipments of Florida celery ranged that season from 428 to 853 carlot equivalents, fluctuating as much as 270 cars from one week to the next.

In the 1948–49 season, f. o. b. prices of Florida celery in the Sanford-Oviedo section ranged from $1.50 to $6.00 per crate for 3–4 dozen size Pascal and for Golden type from a high of $6.50 per crate for 3–4 dozen size during the second week of January 1949, to a low of $1.35 during the first week of April. Similarly, prices for the same size of Golden celery in the Belle Glade area ranged from $4.50 per crate for 3–4 dozen size to a low of $1.40 per crate the first part of April. Most shippers observed cutting holidays during the period of low grower prices in April 1949. F o. b. prices of Golden celery closely followed prices of Pascal celery during the 1949 season. Weekly rail and truck shipments of Florida celery ranged from 333 to 657 carlot equivalent, fluctuating as much as 165 cars from one week to the next.

F o. b. price reports, as shown by Exhibits 13 through 18 and by Exhibit 28, show price distinctions for both Pascal and the Golden celery for each season from 1949 through March 11, 1955. These price distinctions by sizes for both types of celery are shown for both the Sanford-Oviedo and for the Belle Glade sections. Price reports by size for Pascal type celery in the Sarasota area show that prices by size vary from week to week during the season depending upon the relationship of the volume of celery of such sizes to the total volume of celery being shipped. Prices of the smaller sizes were lower at times than prices for the large sizes and, during other periods of the season, prices for smaller sizes were higher than the larger sizes.

Changes in the total supply of celery being marketed, also variations in the grades and sizes of such celery, are reflected in fluctuations in shipping point prices of Florida celery. Excessive shipments of such celery also shipments of off-grades and off-sizes, tend to depress shipping point prices. Terminal market prices for Florida celery and, in turn, f. o. b. shipping point prices for such celery were directly affected each season from 1949 through the 1954 crops by the volume of celery shipped during specific periods. Similarly, f. o. b. shipping point prices during the first portion of the 1955 season, through the first part of March 1955, were also directly affected by the volume of Florida celery shipments. In addition, prices during the 1938 season, covering shipments from the fall of 1937 to the end of the Florida celery shipping season in the spring of 1938, also were directly influenced by the volume of Florida celery shipments. During portions of each of the above cited seasons celery prices tended to decline when Florida celery shipments were exceptionally heavy and f. o. b. shipping point prices were also exceptionally low, to the point that voluntary shipping holidays were observed because growers and shippers also were unable to recover harvesting and other marketing costs. The exceptionally heavy Florida celery shipments during the 1938 season, coupled with large supplies of celery from competing areas and large supplies of competing vegetables, resulted in low prices. The limitation imposed on Florida celery shipments through Order No. 21—the prior marketing order regulating the handling of Florida celery—had some favorable effect on grower prices, and, although such effect was not as great as some members of the industry desired, it was nevertheless direct and it tended to increase grower prices above what they would otherwise have been. The effect of changes in the volume of Florida celery shipments during specific parts of the 1938 season was directly related to the level of prices which producers received for their commodity.

The need for a marketing order program which will help to establish and maintain such orderly marketing conditions for Florida celery in interstate commerce as will tend to establish, as the prices to farmers, parity prices for their celery is established by substantial evidence.

Based on the hearing record evidence, the findings and conclusions in the aforesaid recommended decision with respect to the need for the order to improve marketing conditions for Florida celery through effectuating the purposes of the act are affirmed and adopted. Substantial evidence in the hearing record shows that limitation of the grades, sizes, and quality of Florida celery, or limitations of the volume of Florida

celery, or both, which may be marketed in or transported to any or all markets, will tend to establish and maintain such orderly marketing conditions therefor as will establish parity prices to producers thereof.

(3) The term "celery," used in the order, identifies the agricultural commodity referred to therein and establishes "celery" as the commodity to which the handling activities related thereto are subject to the authority of the order. The term "celery" should be defined to mean all varieties and types of the vegetable commonly known as celery in the production area and throughout the remainder of the United States. References to celery have a common and specific meaning to growers and handlers in the production area, as well as to handlers and other persons in various parts of the country. The definition of celery should include both Pascal and Golden types of the commodity grown in the production area. This definition not only identifies the agricultural commodity grown in the producton area, and commonly known as celery, which is subject to the authority of the order but also, distinguishes it for regulatory purposes from any other agricultural commodity and from celery grown in any other section or area.

The act authorizes marketing agreements and orders applicable to celery, or to any regional or market classification thereof. All varieties of celery, including both Pascal and Golden types, which are grown in the production area constitute a regional classification of celery and regulation of the handling of such celery as authorized by the order will tend to effectuate the declared policy of the act. Celery, therefore, should be defined in the order to mean all types or varieties of celery grown in the production area.

The term "production area" should be incorporated in the order as a means of specifying the area within which celery must be produced before the handling thereof is subject to regulation thereunder. Production area is defined to include all territory within the State of Florida. All celery producing sections of commercial importance within southeastern United States are included within the production area.

There may be minor variations in practices in methods of production, harvesting, and marketing of celery from one growing section to another within the production area; one type of celery may be preferred by some farmers for growing in the Everglades section, another may be preferred by some producers in the Sanford section or in the Sarasota section. No producing section has a marketing season which is entirely separate and apart from the other sections' marketing seasons as shown by the tabulation of monthly rail and truck shipments for the various Florida celery producing areas. Each section within the production area has to share and compete in common markets at the same time as one or more other sections. Undesirable grades, sizes, and qualities, of celery have the same effect in a market on the prices paid for Florida celery irrespective of the producing section or sections. Grading and quality standards for commercial sales of celery are the same throughout the production area. A high percentage, well over three-fourths of the Florida celery crop is inspected and certified to on the basis of such uniform standards. Sales of celery from each growing section within the production area compete directly on the basis of grade, size, quality, and volume with sales of celery from other growing sections being made at approximately the same time.

Although celery is not now grown commercially in some counties within the production area, especially among some northern and western counties, such counties contain land areas capable of supporting commercial production of celery and, as such, are potential growing areas. To decrease the size of the proposed production area or to divide the production area into separated regions would tend to defeat the purpose of the order in that excess shipments, or poor quality, or discounted sizes from a section in Florida outside the area could depress the price of the celery regulated and would have a similar effect on price as an illegal shipment from the regulated area. There is no reasonable method or basis of dividing the production area into two or more areas for purposes of separate marketing orders.

All territory included within the boundaries of the production area constitutes the smallest regional production area that is practicable, consistent with carrying out the declared policy of the act, and the production area, therefore, should be defined as hereinafter set forth.

Exception was taken to the findings in the recommended decision with respect to the definition of production area which means the entire State of Florida. The aforesaid findings with respect to the State of Florida being the smallest production area that is practicable, consistently with carrying out the declared policy of the act, are adequately supported by substantial evidence in the hearing record and they are hereby affirmed and adopted and the exception thereto is overruled.

(4) The terms "handler" and "shipper" are synonymous and they should be defined to identify those persons who handle celery in the manner described and set forth in the definition of "handle" because such persons are subject to the regulations authorized by the order. Any person who is engaged in the act or acts of handling or shipping celery, or who causes celery to be handled or shipped, is a handler. Such persons are responsible for the quantity of celery, as well as for the grade, size, and quality of celery delivered to transportation agencies, or which is transported or sold in the current of interstate or foreign commerce, or so as directly to burden, obstruct, or affect such commerce.

Common or contract carriers transporting celery which is owned by another person are performing a handling function but such handling should not be regulated under the order because such carriers are not responsible for the grade, size, or quality of the celery being transported. Neither are they responsible for the introduction of such celery into the stream of interstate commerce. Also the sole interest of common or contract carriers in such celery is to transport it for a service charge to destinations selected by others. The responsibility for the quantity of celery, as well as for the grade, size, and quality of such celery delivered to a common or contract carrier should be borne solely by the persons responsible for delivering such celery to the carriers.

Therefore, the term handler or shipper should be defined to mean any person (except a common or contract carrier of celery owned by another person) who handles celery or causes celery to be handled.

"Handle" is defined in the order so as to determine and specify the activities and transactions by handlers which are within the regulatory authority of such program. Such activities include all those commonly recognized as handling and begin with the harvesting of celery and follow it through succeeding transactions until it reaches final destination.

The definition of handle does not include the growing of celery for such activities should be construed as a producer function in the capacity of a producer. Any sale of unharvested celery is not within the definition of "handle" because "handle" applies under the order to celery upon harvesting thereof and after. Sale of celery at retail is not included within the definition of handle for such transaction is considered as the act of a retailer in his capacity as such.

Harvesting celery is customarily and normally considered part of the handling process in the production area. It is customary for the person or persons responsible for handling celery to assume responsibility for determining when celery shall be harvested and to assume full responsibility for the manner or method of harvesting, including the direction of labor and the number of rows in particular fields or blocks to be harvested at any given time or during any given period.

Harvesting of celery begins with the cutting of celery stalks from the roots. Several methods may be used but each has for its primary purpose the beginning of the harvesting operations and starting such celery through the marketing processes. Harvesting is an organized, integrated process that is a basic, indivisible part of the marketing process. Harvesting may be performed as a simple, hand operation or it may be a large scale, mechanical operation. In either instance, or in any variation thereon, the primary purpose of harvesting celery is to prepare it for market so that it can be sold and transported in its usual packaged or crated form to ultimate destination either within or outside the production area.

Activities included within the definition of handling include all those performed in connection with the mechanical harvesting of celery. These are not only the cutting of celery, but also necessary stripping, washing, grading, sizing, and the crating or packaging of celery, as well as the placing of such

packaged or crated celery on trucks for hauling to the coolers. Handling also includes the hauling of such celery from the field to the cooler and any and all transactions involving sale or transportation of such celery from the cooler until it reaches the local retailer or it leaves the production area. The same activities are included within the definition of handle if such activities should be performed by separate crews, such as in so-called hand harvesting.

The definition of handle should include the sale of celery among handlers within the production area. It is common practice for handlers to buy and sell celery among themselves to help finish out loads, or for other business reasons. Such sale transactions in celery should be included under the definition of handle because they have a direct effect upon the marketing of celery and directly influence interstate commerce in such commodity. The act of selling celery makes the person who effects such sale a handler because such sale directly affects the market for celery. The transportation of celery also has a direct bearing on the market and the movement and sale of celery, regardless of whether such sale or movement is within the production area or from the production area to any point outside thereof because all transportation of celery is so intermingled that such activities cause such celery to become a part of the stream of interstate commerce, or directly burden, obstruct, or affect such commerce.

Any handling of celery under the order is in the current of interstate or foreign commerce, or directly burdens, obstructs, or affects such commerce.

(5) (a) Certain terms applying to specific individuals, agencies, legislation, concepts, or things are used throughout the order. Those terms should be defined for the purpose of designating specifically their applicability and establishing limitations of their respective meanings wherever they are used.

The definition of "Secretary" should include not only the Secretary of Agriculture of the United States, the official charged by law with the responsibility for programs of this nature, but also, in order to recognize the fact that it is physically impossible for him to perform personally all functions and duties imposed upon him by law, any other officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to act in his stead.

The definition of "act" provides the correct legal citation for the statute pursuant to which the proposed regulatory program is to be operative, and makes it unnecessary to refer to such citations thereafter.

The definition of "person" follows the definition of that term as set forth in the act, and will ensure that it will have the same meaning as used in the act.

The definition of "type" or "variety" is intended primarily to establish a basis for distinguishing between Pascal type or variety and Golden type or variety of celery. Both the Pascal and Golden types of celery are commonly recognized in the production area and throughout the marketing area. Market destinations are based on these two types. This definition recognizes the customary distinction between Pascal and Golden types of celery and it is intended that such recognition of distinctions through this definition should provide a basis for the committee and the Secretary, as well as handlers, to distinguish between the two for regulatory purposes under the order.

The definition of "harvest" or "preparation for market" relates to and specifies those activities which are an essential, elementary part of the handling process. Harvest or preparation for market begins with the cutting of the celery stalk or bunch from the roots. This activity is accompanied by or immediately followed by some stripping of outer stalks and trimming of the crown to make the bunch suitable for market. In the case of mechanical harvesting the bunch is then placed on the conveyor arms, which move it to the circular saw, then to the washer, then to the sorting belt where laborers additionally strip the celery, when necessary, then sort the celery for grade or quality differences, and for size. Packers then place bunches of celery in crates, according to grade and size. The packages or crates are then closed, moved on to trucks and taken to the cooler for chilling, then to loading platforms for transfer to cars or trucks, or they are moved to temporary or other storage.

Activities involved in harvest or preparation for market by hand, or in a combination of hand and mechanical harvesting, are essentially the same except for minor time and location differences. In the case of so-called hand harvest, celery may be cut by knives in the hands of laborers, or by laborers with push knives, or by multiple row cutters pulled by tractors. This is followed by stripping, placing in field boxes, topping, placing on trucks and hauling to the central wash house. At this point, the celery is dumped from the field boxes. It is conveyed through a washer, then continued on the sorting table where it is given additional stripping, if necessary. At the same time and as part of the same continuous process the celery is graded and sorted for quality and size, then placed in crates, which are closed, then conveyed to coolers for chilling, or to loading platforms for transfer to cars or trucks, or to temporary or other storage.

All such activities, regardless of how they are performed, are part of the preparation of such celery for market. They constitute an essential, customary part of the harvesting or preparation for market of celery in the production area.

"Producer" should be defined to mean any person who is engaged in a proprietary capacity in the production of celery within the production area and who is producing such celery for market. A definition of the term producer is necessary for appropriate determinations as to eligibility to vote for, and to serve, as a member or alternate member of the committee, and for other reasons. The term should be limited to those who have an ownership interest in celery produced in the production area. It should not include laborers or others who perform work for a fee or for hire in producing celery. A producer is any "person" who produces celery for market; and "person" is defined as an individual, partnership, corporation, association, or any other business unit—each of which should be considered a legal entity. Each legal entity, whether an individual, a partnership or "joint venture" or a corporation, so engaged in the production of celery for market should have, for example, one voice in selecting committee members and alternates in one district.

A person who owns and farms land resulting in his ownership of the celery produced on such land should be considered as the producer of such celery. The same is true with respect to a person who rents and farms land resulting in his ownership of all or a portion of the celery produced thereon. Likewise, a person who owns land which he does not farm but, as rental for such land, obtains the ownership of a portion of the celery produced thereon should be regarded as the producer of that portion, and the tenant on such land should be regarded as the producer of the remaining portion produced on such land. In each of the above situations where the person acquires ownership of all of the particular celery, such person, regardless of whether an individual, partnership, association, corporation, or other business unit, should be considered as one producer. However, in cases where the ownership is divided, i. e., where one person obtains ownership of only a portion of the particular production and another person obtains ownership of the other portion of such production, each such person should be considered as a producer.

Numerous persons are engaged in celery growing operations who are paid for their services on a wage or per unit of production basis. As heretofore indicated, if such persons do not have title to any of the celery, they are merely laborers working for a stated fee and as such should not have a producer status under the order.

Definitions of "grade" and "size" are incorporated in the order to enable persons affected thereby to determine the basis for application of grade and size limitations to the commodity they handle. Grade, one of the essential terms in which regulations are issued, should be defined as comprehending the equivalents of the meanings assigned to this term by (i) the United States Standards for Celery (7 CFR 51.560 et seq.) issued by the United States Department of Agriculture, (ii) the United States Consumer Standards for Celery stalks (7 CFR 51.595 et seq.) issued by the United States Department of Agriculture, and (iii) modifications or amendments of such standards, and by variations of such standards by regulation under the order. Regulations under the order can then use the term grade with the constant meaning assigned thereto in such standards, or in such modified or amended standards, or such regulation can vary such terms by prescribing, for example, a percentage of grade, as may be required at the time of issuing such reg-

ulation. Official inspectors are qualified to certify the grade of celery in terms of any one of the aforesaid standards, or modification, amendment, or variation thereof.

Celery is customarily sold on the basis of size which is ascertained and represented by the number of stalks or bunches packed per standard wire bound crate, commonly referred to as No. 3601, and measuring, inside 9¾ x 16 x 20⅜ inches. This method of designating size has been followed for years. It is commonly accepted as the standard method of size determinations in the producing area and in markets both within and outside the production area. Market quotations are customarily made on the basis of size as determined by the number of dozens of stalks per crate. Daily sale and purchase of celery between handlers, brokers, and receivers are on the same size basis. So also are sales among handlers. The record is replete with facts that the number of dozen of stalks or bunches of celery per standard crate is the common and usual, and a satisfactory method for determining size of celery. The definition of size adopts this customary method of ascertaining and determining size of celery. Exceptions was taken to the proposed findings and conclusions and to the provision of the recommended order that the term "size" means the number of celery stalks which may be packed in a container of fixed size and capacity, as approved by the Secretary pursuant to methods set forth in the proposed order. The terms of the order through the definition provide methods for determining size of celery. Such methods should be based upon the same principles which are now usually followed, namely the number of celery stalks which will customarily pack in a box that is accepted as a standard unit. As the evidence shows, the present standard container, No. 3601, may be used as a basis for measurement. However, if the industry should adopt the use of another size container on a widespread basis the committee might recommend that such other box or unit of fixed dimensions should be used in addition to or in place of the present standard box as a basis for determining size of celery. The methods for fixing the size and capacity of any such box or unit are those set forth in the terms and conditions of the order.

The United States Standards for Celery are generally used for shipments of celery from the various producing sections. However, in some instances, Florida celery is graded in terms of consumer standards and latitude for the application of the latter standards should be afforded.

"Container" is defined in the order as a basis for differentiating among the shipping units in which celery is marketed and for the permissive application of different regulation to such different shipping units. This definition also enables the Secretary, pursuant to committee recommendation, to establish the present standard crate as the basic, proper crate for determining size of celery. Authority for regulation by type of container was enacted by the 83rd Congress as an amendment to the Agricultural Marketing Agreement Act of 1937, as amended. Use of this authority in the order is appropriate and proper as a means of promoting orderly marketing for celery.

The definition of "pack" or "packs" is intended to include the manner of placing celery in crates or other containers. The term standard pack has a customary, specific meaning among celery handlers in the State of Florida. This includes a variety of factors, such as the manner in which celery stalks are laid in reverse layers in the crate, also the extent to which the celery is tightly placed in the container. Experience indicates that handling of celery evolves new practices, such as the use of the wirebound crate. If a new type of pack, such as a consumer pack, should develop, which the committee might find desirable to regulate differently than the standard pack, the order should contain authority for doing so. Such different packs may be recognized pursuant to rules and regulations recommended by the committee and approved by the Secretary.

A definition of "fiscal period" is incorporated in the order to establish the beginning and end for an operating period. The establishment of such period is necessary for business-like-administration of the order. The date marking the end of one fiscal period and the beginning of the new should fall at a time of little or no activity in the marketing of the celery crop and should allow sufficient time for the committee to organize and be prepared to function prior to the start of the new marketing season. July 31 is after the end of the spring celery deal in Florida and August 1 is prior to the beginning of the fall planting season. No commercial shipments of celery from Florida are made during this between-season time of year. It is therefore, appropriate that fiscal period should be defined as set forth in the order.

The definition of "committee" is incorporated in the order to identify the administrative agency which is responsible for assisting the Secretary in the administration of the program. Such committee is authorized by the act and the definition thereof minimizes the use of words in the order.

"District" should be defined in the order as referring to each of the geographical sections or divisions of the production area, either as initially established or as later reestablished, in order to provide a basis for the nomination and selection of committee members and for regulatory purposes. The proposed division into districts is adequate and equitable and it provides a practical basis for the purposes for which intended.

"Field' is defined to mean a well delineated plot of cultivated land upon which celery is grown. Producers are well acquainted with their fields of celery and they know to what they refer when speaking of any field. Field is used to specify and identify particular plots of celery. Such is the purpose of the definition in the order.

"Block" is defined as a portion of a field or fields of celery. Block also is used to identify certain plots of celery. Its purpose in the order is to assist in identification of celery that was planted at particular times, or which is to be harvested and marketed at particular times, or both.

"Available supply of celery" is defined in the order to mean the linear feet of rows of unharvested celery of a particular type or variety which is ready for harvest for shipment during a particular prorate period or periods. The available supply of celery for any handler should be the amount, expressed in linear feet of rows of celery which are ready or will become ready for harvest during a specific period. From the available supply of celery submitted by each handler, the total available supply of celery may be computed by the committee as a basis for estimating the relationship of supply to market requirements. Also, the available supply of celery of a handler is to be used as a basis for establishment of allotments for the handler.

"Allotment" is defined to mean the amount of celery which may be handled by any and all handlers during specific prorate periods. Allotment includes the linear feet of rows which each handler may harvest for shipment during a specific period of volume regulation under the order.

"Prorate period" is defined to mean the period or periods recommended by the committee and approved by the Secretary during which allotments of celery may be established for handlers and pursuant to which the volume of shipments may be limited.

"Export" is defined to mean shipments of celery beyond the boundaries of continental United States and of Canada. For purposes of regulations under the order, Canada should be cosidered as requiring the same types, grades, and sizes of celery as the United States market. Shipments to off shore points, such as some of the sales to steamship lines, or to off shore military installations, should be classed as export. Shipments, if any to Cuba, or to Puerto Rico or the Virgin Islands should be classed in the same way.

(b) The order should provide for the selection by the Secretary of an administrative committee, called the Florida Celery Committee composed of nine producer members. Establishment of this committee is desirable and necessary to aid the Secretary in carrying out the declared policy of the act and such committee is authorized by the act. Inasmuch as most producers within the production area also perform handler functions and are familiar with marketing conditions for celery, no useful purpose would be served by providing for handler representation, as distinct from producer representation, on the committee.

The committee membership of nine producers would be equitable and practicable. Evidence supports the finding that this plan of representation has received intensive study by the industry and that, after thorough consideration, such division of responsibility among nine producers is appropriate.

Each member of the committee should be a producer, or an officer or employee of a producer, of celery in the district for which selected and each such person should be a resident of the production area. A person with such qualifications should be intimately acquainted with the problems of producing and marketing celery grown in such district and each may be expected to present accurately the problems incident to production or marketing of celery grown in that district. The qualifications for each alternate should be the same as for the respective member for whom he may act. Such qualifications should help to assure that the interests of the group from which each is selected will be adequately represented in committee deliberations.

Each committee member and his respective alternate should serve a one year term of office ending July 31, and for any additional period needed for the selection and qualification of his successor. Such term of office is reasonable and will allow the celery industry to express its approval or disapproval of the committee's membership at the end of any season and prior to the opening of a new season. Committee members and alternates should be selected for the fiscal period during which they are to serve and until their successors are selected and have qualified.

Districts are established to provide a basis for selection of committee members. The districts as initially established were worked out by a committee of industry spokesmen and they represent the best basis which could be devised at this time for providing a fair, adequate, and equitable representation on the committee.

The districts as set forth in the order constitute what are generally known and recognized by the celery trade as the major growing sections within the production area. For example, District No. 1 or the South Florida District is generally known as the Glades section; District No. 2 or the Florida West Coast District is commonly referred to as the Sarasota section; and District No. 3 or the Central and North Florida District includes the Sanford, Oviedo, Zellwood, Weirsdale, and Ocklawaha producing sections.

The provision for redistricting is desirable because it allows the committee to consider from time to time whether the basis for representation could be improved and how such improvements should be made. The guides as set forth in the order which the committee should keep in mind in considering redistricting are appropriate and desirable points of reference that relate directly to the welfare of celery producers and handlers.

It is practical and equitable that selection of committee members and alternates should be on the basis of districts as provided for in the order. This would provide a geographical basis for selection of such members. Such geographical basis should be, and for purpose of initial membership has been, related to the number of producers and the production of celery within the production area so that a practical basis for establishing equity may be attained.

The order should provide for the selection of 3 members and 3 alternates from District No. 1, 2 members and 2 alternates from District No. 2, and 4 members and 4 alternates from District No. 3. Although the representation on the committee from District No. 2 appears to be in excess of that warranted by the acreage and production of celery grown in this district as compared to the other districts, such representation is equitable in that a comparison of the districts in terms of the numbers of producers serves to counterbalance the weight given to acreage and production. The committee composition should result in equitable representation and treatment for both large and small producers. The provision that there should be a producer selected as an alternate for each member provides a practical working basis for having full representation on the committee when any member from a district is absent.

A procedure for the election by producers of nominees for membership on the committee should be prescribed in the order. Such provision is intended to provide for assistance by the celery industry to the Secretary in his selection of members and alternates on the committee. It is customary in the Florida celery industry for producers to conduct meetings to establish their preference for positions of trust and responsibility. The nomination of prospective members and alternates at meetings of producers in the respective districts is a customary and practical method of providing the Secretary with the names of the persons which the industry desires to serve on the committee. In order to obtain an indication of the industry's preference for membership on the initial committee, meetings of producers may be sponsored by the United States Department of Agriculture, or by any agency or group requested to do so by the Department. This provides a practical and an expedient means of initiating movement whereby the industry may express its wishes and preferences with respect to committee membership.

Nomination meetings for the purpose of electing nominees for members or alternates on the committee after the initial committee should be held prior to July 10 of each year because this allows ample time before the new term of office for the industry to make its preferences known concerning nominees. Such meetings should be held by the committee or by persons or groups requested by such committee to hold such meetings.

At least two nominees should be designated for each position as member and each position as alternate so that the Secretary will have a choice in making his selection. In addition, if a selectee declines to serve, the Secretary would also have the name of another prospective member or alternate from which to make a selection. It is the desire of the industry and it is appropriate that producers voting at such industry meetings may ballot for nominees to indicate the ranking of their choice for each position to be filled. The producer in each district who, during the preceding season, had the largest volume of sales of his own celery production in such district should be permitted to designate two nominees for member and two nominees for aletrnate member. This permission is in the order so that a person with an important stake in the celery industry will be assured a voice in the selection of the committee members from the district involved. Although small producers serving on the committee will undoubtedly have the interests of the industry foremost, testimony at the hearing indicated that such small producers have a relatively short shipping season, their interest in the celery "deal" tends to wane at the conclusion of their individual deals, and the industry would best be served by providing for the inclusion among committee membership of at least one large producer from each district. Nominee lists should be supplied to the Secretary in the form and manner prescribed by him so as to establish administrative uniformity in the handling of such matters. Such nominations for committee members and alternates should be supplied to the Secretary not later than July 15 of each year to enable him to select the committee prior to the new term of office.

Only producers should participate in nominating members and alternates on the committee because the committee will be composed entirely of producer members.

If a person produces celery in more than one district, such person should select the district in which he wishes to cast his vote for nominees on the committee. Any other procedure would tend to give such person a greater voice than other producers in the nomination of committee members.

Each producer participating in the industry meetings for election of nominees to the committee should be limited to one vote on behalf of himself, his agents, subsidiaries, affiliates, or representatives in designating nominees. Voting on any other basis would not provide for equitable representation because it would give the producers with interest in more than one district a greater voice in election of nominees than producers operating in only one district. The plan of one vote for each producer should be so construed that the person eligible to vote in a nomination meeting shall be allowed to cast one vote for each position which is to be filled in the district with which he affiliates. For example, at meetings for election of nominees to the initial committee each person voting as a producer in District No. 1 would be allowed to cast three votes, one for each of the three member nominees, and likewise for the alternates.

In order that there will be an administrative agency in existence at all times to administer the order, the Secretary should be authorized to select committee members and alternates without regard to nominations if, for any reason, nominations are not submitted to him in conformance with the procedure prescribed therein. Such selection should, of course, be on the basis of the representation provided in the order so that the composition of the committee will at all times continue as prescribed therein.

Each person selected by the Secretary as a committee member or alternate should qualify by filing with the Secretary a written acceptance of his willingness and intention to serve in such capacity. This requirement is necessary so that the Secretary will know whether or not the position has been filled. Such acceptance should be filed within 10 days after notification of appointment so that the composition of the committee will not be delayed unduly.

It is also desirable and necessary that the Secretary should be authorized to fill committee vacancies without regard to nominations if the names of nominees to fill any such vacancy are not made available to the Secretary within thirty days after such vacancy occurs. The Secretary should have recourse to such means of filling vacancies in order to maintain continuity of administrative agency operation and to insure that all portions of the production area are adequately represented in the conduct of committee business.

Each alternate should be authorized to act in the place and stead of a member for whom he is an alternate during such member's temporary absence. Continuity of operation of the order is best assured by such authorization. An alternate should be authorized to act in a member's absence when such absence is due to death, removal, resignation, or disqualification of the member. Alternates acting in the place and stead of members may continue to act in such capacity until a successor for the member has been selected and has qualified.

A quorum of the committee should consist of at least six members. This would not only insure that one more than a majority of the members must be in attendance at committee meetings but also would require that representation be present from at least two of three districts. Committee decisions should, therefore, reflect an accurate and representative cross section of industry thought and attitudes.

Not less than six members of the committee should be required to concur in any committee action in order for it to pass. Such a voting requirement, constituting a minimum of two-thirds of the membership, is deemed reasonable and adequate.

The committee should be authorized to conduct meetings and to vote by telephone, telegraph, or other means of communication. Thus, two types of assembled meetings may be held. In one instance the assembled meeting may be held at the central location and be attended in person by all committee members and alternates. In the other type of assembled meeting, some members and alternates may be assembled simultaneously at different locations, but connected by means of telephone whereby each person in each group may actively enter the discussions and be heard by each other member in any other group, and each member may vote in person. Improved telephone equipment, including loud speakers and microphones, make such arrangements practical in that it permits the free exchange of ideas and thoughts by parties at one location, such as Sanford, with other members at different locations such as Sarasota or Belle Glade. The distance between major producing sections in Florida is such that an arrangement whereby assembled meetings may be held by telephone, as above described, may make it possible for members and alternates to avoid considerable loss of time in traveling from their normal places of business to a central location. Assembled telephone meetings of this type may be used after the program is operating smoothly and efficiently. Also, when a matter to be considered is routine so that it would be unreasonable to call an assembled meeting at a central location, or in other instances, if rapid action is necessary because of an emergency, assembled meetings at different locations should be authorized. In addition, the committee should be authorized to vote by telephone, telegraph, or other means of communication. Any votes cast at other than an assembled meeting should be confirmed promptly in writing to provide a written record of the vote so cast. In case of an assembled meeting, however, all votes should be cast in person so that an absent member may not participate.

Committee members and alternates should be reimbursed for necessary expenses incurred in the performance of service to the committee. Expenses for services by committee members should be allowed only for those specifically requested or directed by the committee. Such expenses might include travel, hotel accommodations, and meals. Reimbursement for reasonably necessary expenses is required to offset actual out-of-pocket expense incurred in performing duties in connection with the order.

The committee should be given those specific powers which are set forth in section 8c (7) and (C) of the act, because such powers are authorized to be granted by the enabling statutory authority and they are necessary so that an agency of the character set forth in the order can function.

The committee's duties, as set forth in the order, are necessary for the discharge of its responsibilities. The duties established for the committee are generally similar to those specified for administrative agencies under other programs of this character. It is intended that any activities undertaken by members or alternates of the committee will be necessary for the committee to carry out its responsibilities as prescribed in the order. It should be recognized that these specified duties are not necessarily all inclusive in that it may develop that there are other duties which are incidental to, and not inconsistent with, the terms and conditions of the order which the committee may need to perform.

(c) The committee should be authorized to incur such expenses as the Secretary finds are reasonable and likely to be incurred by the committee during each fiscal period for the maintenance and functioning of such committee and for such other purposes as the Secretary may, pursuant to the provisions of the order, determine to be appropriate. The expenses so incurred should be shared by handlers on the basis of the ratio of each handler's total celery handled by him as the first handler thereof to the total celery handled by all first handlers during specified fiscal periods. The determination of individual handlers shares of expenses should be based upon total celery handled by first handlers thereof to avoid duplication of assessments on the same celery.

The committee should be required to prepare a budget at the beginning of each fiscal period, and as often as may be necessary thereafter, showing estimates of income and expenditures necessary for the administration of the order for such period. Each such budget should be presented to the Secretary with an analysis of its components and explanation thereof in the form of a report on such budget. It is desirable that the committee should recommend a rate of assessment to the Secretary which should be designed to bring in during each fiscal period sufficient income to cover expenses incurred by the committee.

The funds to cover the expenses of the committee should be obtained through the levying of assessments on handlers. The act specifically authorizes the Secretary to approve the incurring of such expenses by administrative agencies, such as the Florida Celery Committee, and the statute also requires that each order issued pursuant to the act should contain provisions requiring handlers to pay their pro rata shares of the necessary expenses.

Each handler should pay the committee upon demand his pro rata share of such reasonable expenses which the Secretary finds will be incurred necessarily by the committee during each fiscal period. Such pro rata share of expenses should be equal to the ratio between the total quantity of celery handled by him as the first handler thereof during a specified fiscal period and the total quantity of celery so handled by all handlers during the same fiscal period. It is necessary that responsibility for the payment of the assessment on each lot of celery be fixed and it is logical to impose such liability on the first handler of such celery. In most instances the first handler and the applicant for inspection are the same person. However, in the event the first handler fails to apply for and obtain inspection, this does not in any way cancel his obligation with respect to the payment of assessments.

Assessment rates should be recommended by the committee and applied by the Secretary to a specific unit. For example, assessment rates may apply to carlots, or they may be applied on a crate basis, or by any other unit commonly used in marketing celery grown in the production area. However, such assessments for a fiscal period should be applied on a uniform rate basis.

At any time during or subsequent to a given fiscal period the committee should be authorized to recommend the approval of an amended budget and the fixing of an increased rate of assessment to balance necessary committee expenses and revenues. Upon the basis of such recommendations, or other available information the Secretary should be authorized to approve

amended budgets and, if he finds that the then current rate of assessment is insufficient to cover committee administration of the order he should be authorized to increase the rate of assessment. The order should authorized the application of such increased rate of assessment to all celery previously handled by first handlers during the specified fiscal period so as to avoid inequities among handlers.

Funds received by the committee pursuant to the levying of assessments should be used solely for the purpose of administration of the order, including appropriate research and development projects. The committee should be required to maintain books and records clearly reflecting the true up-to-date operations of its affairs so that its administration may be subject to inspection at any time by appropriate parties. Each member and each alternate, as well as employees, agents, or other persons working for or on behalf of the committee should be required to account for all receipts and disbursements, funds, property or records for which they are responsible and the Secretary should have the authority, at any time, to ask for such accounting. Whenever any person ceases to be a member or alternate of the committee, he should be required to account for all receipts, disbursements, funds, property, books, records, and other committee assets for which he is responsible. Such persons should also be required to execute assignments or such other instruments which may be appropriate to vest in their successor or agency or person designated by the Secretary, the right to all such property and all claims vested in such person.

If the committee should recommend that the operations of the order should be suspended, or if no regulation should be in effect for a part or all of a marketing season, the committee should be authorized to recommend as a practical measure that one or more of its members, or any other person, should be designated by the Secretary to act as a trustee or trustees during such period. This would provide a practical method whereby the committee's business affairs could be taken care of during periods of relative inactiviity with a minimum of difficulty and expense to the industry and to the Secretary. Such a procedure should not be mandatory; it should be permissive. If circumstances would seem to call for the committee and its personnel to continue as usual, to operate, possibly in a curtailed fashion, they should be free to do so.

The committee should provide periodic reports on its fiscal operation. It is expected that audit reports will be requested by the Secretary at appropriate times, such as the end of each marketing season, or at such other times as might be necessary to maintain appropriate supervision and control of the committee's affairs. Handlers should be entitled to a proportionate refund of the excess assessments which remain at the end of a fiscal period, or at the end of such other period as may be deemed appropriate by reason of suspension or termination. Such refund should be credited to each such handler against the operations of the following fiscal period, unless he should demand payment thereof, in which event such proportionate refund shall be paid to him.

If and when the committee is required to wind up its affairs upon termination of the order authorizing such agency considerable expense may be involved in the liquidation process. The affairs of the committee which are to be liquidated usually result from a number of years' operations. It is appropriate, therefore, for the maintenance and functioning of the committee that some of the funds remaining at the end of a fiscal period, which are in excess of those necessary for payment of expenditures during such period, should be carried over into subsequent fiscal periods as a reserve for possible liquidation. Such reserve should be maintained for the purpose of helping to cover the expenses of final liquidation in the event that the order is terminated. It is not anticipated that any such reserve will be accumulated in an amount in excess of what might be the reasonable costs of such a liquidation action. Any funds remaining after liquidation has been effected should to the extent practical be refunded to handlers on a pro rata basis.

Exceptions were taken to the proposed findings and conclusions with respect to assessments on celery handled. Assessments should be levied on the handler who first ships celery after it has been prepared for market, who customarily is the party applying for inspection thereon. Inspection certificates provide a practical basis for billing assessments and should be used for such purposes. In cases where no inspection certificates are available, the handler who first ships the celery should be determined by the facts in particular transactions. The terms and conditions of the order are determined to be adequate and specific with respect to the equitable apportionment under the act of the necessary expenses among handlers of Florida celery. The expenses for such program should be limited to those which are necessary and reasonable as authorized by the act; and in arriving at determinations with respect to such essentiality and reasonableness the Department should have the benefit of the committee's recommendations with respect thereto. It is concluded that reasonable and necessary expenses can be determined upon the basis of facts presented in the manner prescribed in the terms and conditions of the order.

(d) The establishment or provision for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of celery was authorized by amendments to the act in Public Law 690 known as the Agricultural Act of 1954, enacted by the 83rd Congress. Such authorization should be included in the order.

Projects designed to evaluate preferences among markets and localities in terms of grade, size, quality, pack, containers, and other factors could be of considerable value in determining the grade, size, quality, or volume regulations that should be recommended and established. The aid of marketing research and development projects may assist in a determination as to the effect and value of private and industry promotion of Florida celery.

Research into market development, transportation, handling methods, and containers in which celery is marketed are examples of aspects which the committee may at some time consider worthy of investigation. Research projects designed to assist the committee in their consideration of volume regulations should be authorized as one of the means of promoting distribution of celery.

As the celery industry and the committee become more aware of the value of and need for marketing research and development, other projects will undoubtedly be initiated, the need for which will not have been foreseen early in committee operations. Therefore, the committee should have the authority to recommend the establishment of such projects which are in the best interest of celery marketing and which will assist, improve, and promote the marketing, distribution, and consumption of Florida celery. The committee should be empowered to engage in or contract for such projects, to spend funds for such purpose, and to consult and cooperate with other agencies with regard to their establishment. All such projects should receive the prior approval of the Secretary.

The findings and conclusions in the recommended decision relating to research and development projects should be effectuated in the proposed order. Section 937.48, entitled "Research and development," therefor, is incorporated in the proposed order.

(e) The declared policy of the act is to establish and maintain such orderly conditions for celery, among other commodities, in interstate commerce as will tend to establish parity prices for such celery. The regulation of the handling of celery by grade, size, or quality as authorized in the order provides a means of carrying out such policy and is one of the ways authorized by the act (in section 8c (6)) for achieving that objective.

The procedures and methods which are outlined in the order for the development and institution of marketing policies relating to grade, size, and quality and to volume regulations provide a practical basis for the committee to obtain appropriate and adequate information relating to celery marketing problems. Also, members of the industry including both growers and handlers, should be provided with the information regarding the policies and regulations recommended by the committee. The factors set forth in the order which the committee should take into consideration in developing its marketing policies are the ones commonly and usually taken into account by growers and handlers in their day to day evaluation of the market outlook with respect to celery.

In order that the Secretary may effectively carry out his responsibilities in connection with the order, the committee should prepare and submit to the Secretary a report on its proposed marketing policy, or amendments thereto, re-

lating to the marketing of celery during each season. The initial marketing policy offered each season by the committee should be prepared and submitted to the Secretary prior to or simultaneous with its initial recommendations for regulations. This will give all interested parties the maximum notice of probable regulations. Reports on marketing policy and regulations recommended should be submitted to the Secretary and presented to the industry by the committee.

The committee, which has responsibility for recommending grade, size, quality, and volume regulations, as well as modifications, suspensions, amendments thereto, or terminations thereof, should be authorized to consider and recommend any or all methods of regulations which are authorized by the order for the Secretary to issue thereunder. Evidence shows that authority should be established in the order to issue regulations with respect to grade, size, quality, or packs in any or all portions of the production area during any period and the limitation of the volume of celery which may be shipped during specified periods.

The two United States Standards for celery provide a common and acceptable means for determining grade or quality of celery grown in the production area. These standards for celery are widely used throughout the production area, and both producers and shipping point handlers, as well as buyers, are generally acquainted with such standards and commonly use them in their market transactions.

Authority should be provided for limiting the grade and size of celery which may be placed in any given pack or container. The limitation of the handling of poorer grades or off qualities, and less desirable sizes of celery grown in the production area will tend to increase prices of more desirable grades, qualities, and sizes and to promote more orderly marketing and increase the returns to producers of such celery. The poorer grades and off qualities include not only unclassified celery, commonly referred to as cull, but also other celery which shows excessive defects as set forth and described in the Federal standards for celery. The limitation of the handling by prohibiting movement of poorer grades or off qualities, and less desirable sizes of celery will help to improve orderly marketing conditions for such celery by enhancing the long run demand for and competitive position of celery grown in the production area.

The order should include authority for the committee to recommend and the Secretary to issue regulations which would limit a certain size or sizes of celery to not more than specified percentage of the total celery shipments during a given day or given week, or any other practical period. For example, if the committee finds that 10-dozen, or smaller sizes are selling for a low price in relation to other sizes, but if all 10-dozen or smaller sizes are cut off from the market the price of such sizes would rise appreciably, then the committee should be authorized to recommend and the Secretary to issue a regulation so that the percentage of total shipments which may be in 10-dozen or smaller sizes, or any other sizes, shall be within the prescribed proportions. Thus, shipments by each handler during a period of such regulation should be the base against which the percentage of the shipments of particular discounted sizes should apply. The authority to make such recommendations should not be restricted to any part of the season. The committee and the Secretary should have the greatest flexibility possible in order to meet marketing situations in a practical manner from time to time in a sound commercial manner.

The orderly marketing of celery grown in the production area, with the objective of increasing returns to producers of such celery, will be promoted by authorizing the regulation of handling of particular grades, sizes, qualities, or packs of celery, differently for different types or varieties, differently for different portions of the production area, differently for different containers, differently for different purposes to which modification, suspension, or termination of regulation may be applied, or differently for any combination of these groups, during any period.

Demand for different types or varieties of celery establishes price preferences for different grades or sizes, or both, of such types of varieties. For example, evidence establishes a basis for varietal or type preference at the market place. Pascal type celery may be returning a preferred price for certain sizes at particular times. Or again, Golden type of certain sizes may be in short supply and returning preferred prices. The committee, and in turn the Secretary, should be authorized to recognize and consider such differences and to recommend and establish different regulations based thereon.

Unusual weather conditions may arise during a crop year in one portion of the production area as compared with other portions of such area. This possibility is particularly true with respect to such things as hail, wind, and violent rain storms. Hazards of these natures are obviously beyond the control or reasonable expectation of the celery growers in such localities. Because of these circumstances, and to provide equity among producers and handlers insofar as any regulation under the order may be concerned, authority should be provided for the committee to consider such differences, to make appropriate recommendations in that regard to the Secretary, and for the Secretary to issue different regulations to accommodate any such differences in the crop arising out of actions beyond human control. It is contemplated, however, that any such relaxation for a portion of the production area in those circumstances will still require that the celery handled will be the best quality available.

The order should authorize the committee to recommend and the Secretary to issue different regulations for different packs. Such authority is in the best interests of good merchandising and the promotion of orderly marketing conditions for celery. Although the standard pack of celery constitutes the great bulk of celery handled within the production area or between the production area and any point outside thereof, the industry should be authorized to recognize any new packs which may develop and to allow such packs to move freely without grade and size regulation, or to regulate them differently, if such is the proper industry judgment as reflected by the committee.

(f) The order should permit regulations differently for different types of containers. The establishment of such regulation is authorized by virtue of an amendment to the act in Public Law 690, known as the Agricultural Act of 1954, enacted by the 83d Congress. Such authority permits the provision in a marketing agreement and order of a method for fixing the size, capacity, weight, dimensions, or pack of the container, or containers which may be used in packaging, transportation, sale, shipment, or handling of celery. It is contemplated that the industry through the Secretary may wish to fix the standard container, No. 3601, as an appropriate and proper container for handling celery under the order. If developments should bring forth new containers the industry should be empowered to pass upon them and to adopt such containers for use in the celery industry. Should the use of certain of these containers, when moved into commercial market channels, be deemed by the committee, with approval of the Secretary, as contributing to disorderly marketing of Florida celery, then the Secretary should be empowered to fix the size, weight, capacity, dimensions, or pack of the container or containers which may be used in the packaging, transportation, sale, shipment, or other handling of such celery. For the same reason, the committee should be permitted to recommend different regulation for different containers.

(g) The proposal for prohibiting unfair methods of competition and unfair trade practices, as proposed in the notice of hearing was not supported by evidence at the hearing. Therefore, no further consideration is given to the matter.

(h) The volume of celery shipped from Florida has a direct influence upon the price received by Florida celery growers, as shown by records of shipments and prices for the 1949 celery season and subsequent seasons, including the 1954–55 season through March 14, 1955. In general, Florida celery prices to growers are higher when Florida shipments are light than when such shipments are heavy. Heavy shipments of Florida celery frequently occur during the middle or late winter and prices to growers during such periods have often brought low prices that returned less than marketing costs which created disorderly marketing conditions. The prevention of excessive celery shipments from Florida should help to relieve supplies and improve prices to growers. The extent to which the Florida celery industry may limit shipments to improve prices is limited by competing supplies from other areas. Florida handlers can limit shipments to the extent that they eliminate losses on their shipments. Also supplies from Florida could be limited to improve prices toward parity but only to the extent that additional competing supplies

would not be attracted to markets into which Florida celery is usually shipped and undermine the improved returns to Florida celery producers.

Growers' prices for Florida celery fluctuate due to changes in the supply of such commodity being marketed. Undue fluctuations in the f. o. b. price of such celery disrupts orderly marketing conditions therefor and results in the impairment of the purchasing power of Florida celery growers. Volume regulation of celery shipments, in the manner authorized in the order, will tend to promote the orderly flow of Florida celery to market and to prevent and avoid unreasonable fluctuations in supplies and prices of such celery. The order should provide that the Secretary, upon recommendation of the committee or other available information, may exercise the powers conferred by the act so as to establish and maintain such orderly marketing conditions for Florida celery as will provide, in the interests of producers and consumers, an orderly flow of the supply thereof to market throughout its normal marketing season to avoid unreasonable fluctuations in supplies and prices.

The order should provide methods for fixing, as provided in the Act, the total allotments of any or all types of celery that may be handled by each handler so that orderly marketing conditions for Florida celery may be established and maintained. The regulation of the volume of celery which may be handled during specific prorate periods provides a method under a uniform rule of carrying out such policy.

The order should provide for issuance by the Secretary, pursuant to committee recommendations, or on the basis of other available information, of regulations limiting during specific prorate periods, whenever such regulations will effectuate the policy of the act, the handling of celery to that which is harvested from designated linear feet of rows. The order should contain provisions relating to (1) the method of recommending and fixing the total quantities of celery that may be handled by any and all handlers; (2) the method for fixing the allotment of each handler under a uniform rule based on the available supply of celery of each handler and providing a means for computing the base for fixing such allotments; and (3) modifications or adjustments of such allotments so as to provide flexibility of operation for handlers under such regulations.

The amount of celery shipped to market affects growers prices and limitations on the amount to be shipped should be for the purpose of improving such prices. The amount of celery shipped to market is a direct result of the linear feet of rows harvested and a limitation of handling based on linear feet of rows which may be harvested provides a readily determinable and uniform rule for computing the amount to be shipped and for establishing allotments.

The committee should be authorized to consider and to recommend the amount of celery expressed in linear feet of rows which should be permitted to be harvested under allotments during specific periods. This amount can be readily and accurately determined from information submitted to the committee by handlers. Upon receipt of such information, and after due consideration of the amount the market may take at particular price levels and of the total available supply of celery, the committee should be authorized to recommend to the Secretary that the amount of celery to be handled during a specific period or periods should be limited to certain proportions of such available supply of celery. The total allotments should be expressed in linear feet of rows permitted to be harvested for shipment. This provides an appropriate and proper method, pursuant to the act, for allotting the amount of celery that may be handled by each handler during a specified prorate period or periods.

The act provides that a marketing order shall contain certain terms and conditions and authorizes the allotting, or providing methods for allotting, the amount of celery which any handler may market in or transport to any or all markets under a uniform rule, based upon the amounts each handler has available for current shipment, to the end that the total quantity of such celery to be marketed shall be equitably apportioned among all of the handlers thereof. The order should so provide, and does so by establishing an appropriate method for determining a prorate base for each handler pursuant to which allotments are computed and fixed. Under the terms and provisions of the order each handler is given the same opportunity to handle celery as each other handler under a uniform rule whereby he will have equality of opportunity among handlers for securing his equitable proportion of the celery to be handled. Each handler customarily keeps close record of the celery he expects to handle. Such records date from the time of planting. Planting schedules are built up, maintained, and followed so that harvesting schedules may follow a similar pattern at a later date. Each handler follows growth and progress of celery as closely as possible so that he may keep thoroughly and constantly apprised of when certain fields and blocks are ready for harvest. Handlers customarily plan their harvesting schedule and they know with considerable degree of certainty as time for harvest approaches the exact fields and blocks of celery which should be ready for harvest during specific periods. This information is customarily maintained as a matter of record by handlers.

Handlers can make this information available to the committee. Such information, when presented as a handler's available supply of celery and with an application to handle such celery, will enable the committee to determine the total available supply of celery for all handlers. This provides a basis for determining the total amount of celery which each handler has available for current shipment. Handlers reports showing the linear feet of rows of celery available for harvest provide a uniform rule for determining the amount available for market by each handler and for equitably apportioning the total quantity for market among all handlers. Celery that is ready to be harvested must be harvested within a reasonable length of time. The estimate of the linear feet of rows available for harvest for each handler places each on an equitable basis of allotment because the measure of quantity is uniform. Some fields may yield differently than others, but in the absence of regulation such differences would also apply. By estimating available supplies of celery and allotments on linear feet of rows, the order preserves equity among handlers under a uniform rule that is readily and easily understood by celery growers and handlers. This provides a practical, uniform rule for establishing equity among handlers and a precise, well known basis for allotments.

The equity of each handler in the total quantity of celery that may be handled during any prorate period should be expressed as his prorate base. A prorate base is a handler's proportion of the total quantity that may be handled under volume regulation and it is expressed as the ratio between the handler's available supply of celery and the total available supply of celery of all handlers during a specific prorate period. Thus, each handler's share of the limited quantity of celery which may be handled during a specific prorate period is the same percentage as his share of the total available supply of celery of all handlers during such period.

The order should provide that each handler, who has an available supply of celery, should make application to the committee for a prorate base and for allotment to assure an orderly basis for establishing equities. This application should contain the information required by the order pursuant to rules and regulations concerning reports. Such information is incidental to, and not inconsistent with, and necessary to the operating terms and conditions of the order. Such information is necessary to determine the correct total of each handler's available supply of celery and the total available supply of celery of all handlers.

The committee should compute for each prorate period when volume regulation is in effect the available supply of celery for each handler who has applied for a prorate base and an allotment and fix as a prorate base for each such handler. A report thereon should be transmitted to the Secretary and the committee should notify each handler of the prorate base established for him so that he may arrange to handle the celery allotted to him.

The Secretary, pursuant to committee recommendation or other available information, should fix the total volume of any or all types of celery which may be handled by all handlers during a specified prorate period or periods and such volume of any or all types of celery should be computed for allotment purposes in linear feet of rows of the applicable type of celery. The allotment for each handler for a prorate period should be determined by multiplying the total linear feet of rows, which may be harvested for shipment by all handlers during such prorate period, by the prorate base for such handler. The committee

should make such computations and so notify each handler of his allotment. This method of fixing allotments provides an appropriate means, under a uniform rule, for calculating the equities of handlers in the total quantity of celery to be marketed. Requirements as to notice set forth in the order are appropriate and proper. Appropriate notice to handlers should include, among other requirements, reasonable notice by the committee to each handler of the allotment computed for him pursuant to the order.

Each handler during any given prorate period should be permitted to handle celery which is harvested only from rows which are contained in the fields or blocks specified in the applicable approved report filed by such handler which shows his available supply of celery for such prorate period. This is necessary to maintain the uniform rule for handling celery under allotments and to maintain equity among handlers. It is also necessary, as part of the uniform rule, that each handler should harvest celery during a prorate period from the same relative location in each row of each block within each field, or from consecutive complete rows.

In order to accommodate handlers who use mechanical harvesters where a series of rows—16, 20, or more—are cut at the same time as the harvester moves through the field of celery, the linear feet of harvested rows may be applied to fractions of rows. In the case of harvesting celery by hand, it should follow customary methods of harvesting one complete row after another and the celery should be harvested from consecutive, complete rows, so that each handler will have equitable treatment in the application of his allotment by taking the celery as it comes rather than by selecting special portions of a field.

Celery should be harvested only from the allotted portion of a field or block of celery. Celery reported as part of an individual handler's available supply of celery during a particular prorate period, but not allotted therein, should remain unharvested until fieldmen or other designated agents for the committee have checked the block or field from which celery was harvested during the particular prorate period. This would be the most effective time and the most economical point in the successive steps of the handling of celery to ascertain compliance with the allotment. The committee's designated agent, upon proof of satisfactory performance by each handler, should issue a certificate of compliance to such handler.

None of any such unharvested celery should thereafter be harvested, unless all handlers' unharvested celery originally contained in reports of available supply of celery for specified prorate periods should be authorized for harvest by the Secretary. Such authorization may be issued by the Secretary upon recommendation of the committee or upon other available information whenever market conditions warrant.

Any handler's allotment for a specific prorate period may be modified by appropriate, timely action by such handler. Any handler who has unharvested celery previously included in an application for allotment and who wishes to withdraw such celery from his application for allotment should notify the committee of his intent to do so. Also, any handler, who wishes to harvest celery of particular types in excess of his allotment for a particular prorate period, may exceed his allotment for such period if he gives written or telegraphic notice of his intent to the committee. Such notice of intent or application should show the linear feet of rows of such type of celery which each handler desires to withdraw from his current allotment or to harvest in excess of his current allotment. Such celery for which allotment is to be modified should be identified by field, block, and row.

The prorate base for celery withdrawn from current allotment and later harvested or for celery harvested in excess of current allotments, should be adjusted downward by a number of percentage points which should be determined by the committee, with the approval of the Secretary. Such adjustment in a modified prorate base is necessary to keep total marketings, as recommended by the committee and approved by the Secretary, within reasonable limits and to discourage handlers from abuse of the modification provisions of the order.

Exception was taken to the findings and conclusions that the proposed order provides a method for allocation of Florida celery among handlers under a uniform rule. Evidence in the hearing record substantially shows that the terms of the proposed order provide a method whereby handler's allotments should be determined under the terms and conditions thereof by dividing the total available supply of celery declared by each handler during specific prorate periods by the total available supply of celery declared by all handlers for such periods and thereby determining each handler's prorate base. Such prorate base for each handler should then be applied to the total amount which may be handled by all handlers to provide the allotment for each such handler. The declaration of available supply in terms of linear feet of rows to be harvested by each handler during specified periods and the allocation of Florida celery upon the basis of such linear feet of rows contained in such declarations provides a uniform rule for allotments based upon the amounts which each handler has available for current shipment. Such uniform rule accords with the requirements of the act and operations pursuant thereto will tend to effectuate the purposes of the act.

(i) The committee should have information and data necessary for calculating prorate bases, allotments, modifications thereof, and for checking on compliance with regulations by handlers. Such information may include, but not be limited to, reports by handlers on the available supply of celery, which should be identified by fields or blocks, or both, and estimates of the quality and yield of any such celery. Such reports by handlers should be timely in order to provide up-to-date, accurate information and they should be required in such a manner and only at such times that will give due consideration to the convenience of the handler. Such reports should be required at such times as the committee may prescribe and should require essential details relating to available supplies of celery, acreage, yields, quantities harvested, grade, quality, and size as may be prescribed by rules and regulations issued pursuant to committee recommendation and approval by the Secretary. Such reports should not be requested more often than weekly. Such rules and regulations may require that reports include, where necessary for successful operation of the order, maps or diagrams of fields or blocks of celery which they own or control, by type or variety, by time of planting, by time of prospective harvest, and by the amount, including grade, size, and quality, harvested during specific periods. Authority to harvest celery by a handler should be deemed evidence of the handler's control thereof.

All reports submitted by handlers should be subject to inspection, correction of errors, and approval by the committee. Such authority is essential to the committee so that it may have an accurate, factual basis for computing prorate bases and allotments. Should any reports by handlers contain information that is normally considered confidential by handlers, the committee should arrange to hold such information under appropriate protective classification so that no information contained therein shall be disclosed if it will adversely affect the competitive position of such reporting handler. Reports on such data may be compiled subject to the prohibition of disclosure of individual handlers' entities or operations.

(j) The committee should give notice to all handlers of meetings to consider recommendations for regulation, either grade and size or volume regulations, or both. Whenever volume regulation is contemplated, the committee should give notice to all handlers that they should apply for an allotment. Such notice should be given in adequate time prior to meetings so that handlers may have time to receive such notice and to prepare for them. The determination as to adequate time and mode of notice should be made pursuant to rules and regulations recommended by the committee and approved by the Secretary.

The committee should give notice promptly of any recommendation for volume regulation. Such notice should be given to handlers at least 48 hours before the recommended effective time of the proposed regulations. Such notice should be given by forwarding a copy of the committee's recommendations to each handler who has filed his name with the committee for such purpose.

The Secretary should notify the committee of each regulation issued under the order. The committee, in turn, should notify each handler of the regulation. Such notice should be given promptly upon receipt of advice of issuance from the Secretary and a copy of such notice should be forwarded to each handler who has filed his address for that purpose with the committee.

The order should authorize different regulations during any period so that the committee and the Secretary may take account of different supply and demand conditions as they may arise and become apparent. It should also authorize limitations of shipments by volume, or by grade, size, and quality, or both, at any or all times that the industry, through the committee, may recommend and the Secretary approve. Such authority is essential in the order so that the various problems affected by the supply of celery may be met in the most appropriate manner in the order to help establish orderly marketing conditions and parity prices.

(k) The committee should be authorized to recommend, and the Secretary to establish, such minimum standards of quality and maturity, and such grading and inspection requirements, during any and all periods when the seasonal average price for celery may be above parity, as will be in the public interest. Some celery is of such low quality that it does not give consumer satisfaction at any time because of the large amount of waste and the time consumed in preparing it. Consumers do not receive proper value for their expenditures for such low quality celery, and even when prices are above parity it is not in the public interest, either of the producers, handlers, or of consumers to permit shipments of such poor quality. The shipment of celery which is not of proper maturity also tends to disrupt general market conditions for the commodity and the discounted prices received for such celery adversely affects grower prices. It is also necessary that such authority should include grading and inspection requirements so that compliance with such minimum standards of quality and maturity may be determined whenever such regulations are in effect.

Exception was taken to the findings and conclusions with respect to standards of quality for celery and to the authority for establishing minimum standards of quality for Florida celery as will be in the public interest when the seasonal average price for celery may be above parity. Hearing record evidence is conclusive that quality of Florida celery is commonly recognized in the customary sales of the commodity. The establishment of minimum standards of quality for the commodity as will effectuate orderly marketing thereof in the public interest is authorized by the act. Exception with respect to quality and establishment of minimum standards thereof is overruled.

Although some small shipments of celery are made, they constitute only a minor percentage of total production. Some growers pick small quantities and peddle these to local stores, to tourists, or to other similar outlets. In some areas tourists call at the fields and pick up small quantities of celery. In addition, the sale of a few crates of celery to accommodate friends or to take care of special purposes oftentimes is desirable. Problems of inspecting such small lots, or other problems in complying with regulations on such small lots, may make it uneconomical, undesirable, and impractical to require that such small shipments comply with any or all regulations required of the larger commercial shipments. The administrative difficulties in checking upon such shipments to see that they are inspected, or that they meet grade, size, quality, or maturity restrictions, or that they pay assessments may be such that it would be impractical for the committee to attempt to do so. It might be necessary to permit the maintenance of one or more regulatory requirements on such minimum quantities while relaxing other regulations applicable to them. It is contemplated, of course, that any such relaxations of regulations will be applied uniformly. The order therefore should provide authority for the establishment of minimum quantities below which certain regulations may not be applicable in any or all portions of the production area.

(l) The Secretary, upon the basis of recommendations and information submitted by the committee, or other available information, should be authorized to modify, suspend, or terminate grade, size, or quality regulations with respect to the handling of celery for purposes other than disposition in normal domestic fresh markets. The committee should be well qualified, because of the experience and knowledge of individual members, to recommend such modifications, suspensions, or terminations as will be in the best interests of the Florida celery industry and which will tend to effectuate the declared policy of the act. Celery moving to or sold in certain outlets, such as those specified in § 937.59 of the order, are usually handled in a different manner, or such outlets usually accept different grades, sizes, qualities, packs, containers, or different prices are returned, or combinations of such considerations may apply. The order should provide authority for the committee and the Secretary to give appropriate consideration to handling of celery for such purposes so that full opportunity may be taken by this program to improve orderly marketing conditions for celery, thereby promoting the tendency to increase total returns to celery growers in the production area.

The movement of celery from the field to the wash house, or to any other customary location within the production area for grading should be free of grade, size, or quality regulations, if the committee so recommends and the Secretary approves. The imposition of grade, size, or quality regulations on movement of celery between the field and wash house, or to any other point in the production area for grading, as designated by the committee, may not serve any useful purpose in helping to improve producers prices. Such modifications may include elimination of grade, size, or quality requirements, or inspection requirements, or assessments, on celery being handled for grading within the production area.

The order should provide that special considerations may be given to the handling of celery for relief or for charitable purposes. Such shipments are intended for special outlets and usually the shipments are by way of donation or due to some special consideration between the shippers and the receivers.

Shipments of celery, among other vegetables, for the purpose of having such celery processed at canning plants, are specifically exempted from regulation by the act. Any mention of celery for canning or processing herein has particular reference merely to a safeguard, which requirement may cause such shipments to canners to be reported to the committee for the sole purpose of assuring the committee and the celery industry that such shipments are, in fact, moved to the outlet for which intended. No other regulation or restriction is implied on celery for canning or processing.

For purposes which may develop in the future, the committee should be empowered to provide special treatment through modification, suspension, or termination of regulation applicable thereto, or for other purposes which later may be specified by the committee, with the approval of the Secretary.

The authority for modifying, suspending, or terminating grade, size, quality, assessment, or inspection regulations should be accompanied by the additional administrative authority for the committee to recommend and the Secretary to prescribe adequate safeguards to prevent shipments for such purposes from entering market channels contrary to the provisions of such special regulations. Such safeguards may be recommended by the committee and they should be administered by the committee. The authority for establishment of safeguards should include such limitations or appropriate qualifications on shipments which are necessary and incidental to the proper and efficient administration of the order. Such safeguards, among others, may include inspection so that the committee may have an accurate record of the grade, size, and quality of celery shipped to special outlets, applications to make such special shipments, requirements for the payment of assessments in connection with such shipments, reports by handlers on the number of such shipments and the amounts of celery shipped, and assurances by purchasers that the celery is to be used for the purpose designated.

In order to maintain appropriate identification of shipments of celery to special outlets, the safeguards authorized herein may provide for the issuance of certificates of privilege to handlers of such celery and, in addition, require that such handlers shall obtain such certificates on all shipments by them to such special outlets. Certificates of privilege may be issued by the committee as an indication of the authority for a handler to make such shipments and as a means of identifying specific shipments. Such certificates of privilege should be issued in accordance with rules and regulations established by the Secretary on the basis of committee recommendations, or other available information, so that the issuance of such certificates may be handled in an orderly and efficient manner which can be made known to all handlers. The committee should be authorized by the order to deny or rescind certificates of privilege

when such action is necessary to prevent abuse of the privileges conferred thereby or upon evidence satisfactory to it, that a handler to whom a certificate of privilege has been issued has handled celery contrary to the provisions of the certificate previously issued to him. If the committee rescinds or denies a certificate of privilege to any handler, such action should be in terms of a specified period of time. Handlers affected by the denial of a certificate or the rescinding of such a certificate should have the right of appeal to the committee for a reconsideration.

The Secretary should have the right to modify, change, alter, or rescind any safeguards prescribed or any certificates of privilege issued by the committee in order that the Secretary may retain all rights necessary to carry out the declared policy of the act. The Secretary should give prompt notice to the committee of any action taken by him in connection therewith and the committee should currently notify all persons affected by the indicated action.

The committee should maintain records relevant to the safeguards and to certificates of privilege and should submit reports thereon to the Secretary when requested in order to supply pertinent information requisite for him to discharge his duties under the act and the order.

(m) Inspection of celery grown in the production area by the Federal-State inspection service is a common and usual practice for the purpose of determining officially the grade, size, quality, and maturity of such celery. The Federal-State Inspection Service has operated in the State of Florida for a number of years. Celery growers and handlers throughout the production area are acquainted with the service and with the inspection which it offers on shipments of celery. Federal-State inspection is available throughout the entire production area and reasonably prompt inspection can be given at all points within the production area at a reasonable time prior to the anticipation of shipment of the celery to be inspected.

Provision is made in the order for inspection by the Federal-State Inspection Service, or such other inspection service as the Secretary may approve, of celery grown in the production area during any period in which handling of celery is regulated under the program. Such inspection requirements should apply to all celery handled under regulations issued under the order, except when any such handling is relieved from these requirements by the Secretary upon recommendation of the committee. Provision for inspection of handling subject to regulation establishes a means for providing the handler, the buyer, the committee, the Secretary, and other interested parties with a means of determining whether such handling of celery complies with the requirements of any particular grade, size, and quality regulation which may be in effect under the order. Effective regulation of the handling of celery grown in the production area requires that the grade, size, and quality of each sale or shipment of such celery should be authoritatively established so that the administration of the order shall be efficient and effective. The provision for inspection and the certificates which are issued pursuant to inspection offer an appropriate and practical means of establishing and identifying the grade, size, and quality of celery handled pursuant to the terms and conditions of the order.

Copies of inspection certificates issued pursuant to the requirements of the order should be supplied to the committee promptly so that such committee may properly discharge its administrative responsibilities under the program.

Provision should be made in the order for authority to inspect celery not only by personnel of the Federal-State Inspection Service, but also by personnel of such inspection service as the Secretary may designate so that sufficient flexibility for successful operation can be provided through appropriate inspection if, by some chance, the Federal-State Inspection Service cannot properly perform its duties.

The requirement that no handler shall handle celery unless each lot of celery is inspected by an authorized inspection service approved under the order is reasonable and it is necessary for the proper administration of the program. Such requirements should apply except to celery which may be relieved of inspection requirements by the Secretary.

Responsibility for obtaining inspection should fall primarily on the handler who first handles such celery after it has been prepared for market so that each lot of such celery may be identified and certified with respect to grade, size, and quality. Such identification and certification is essential to proper administration of the order so that a determination may be made as to whether such shipment accords with the grade, size, quality, and maturity regulations issued under such order. The handler who so first handles celery is required to obtain inspection and subsequent handlers may not handle the celery unless a properly issued inspection certificate valid under the terms of the order applies to such shipments. Each handler must bear responsibility for determining that each of his shipments is inspected. If a handler should receive celery which has not been inspected, he should be responsible for having it inspected. Such requirement is necessary so that the committee can obtain evidence in the form of inspection certificates which it needs to carry out its appropriate functions in determining if specific shipments have been inspected and if they otherwise meet requirements of the order and regulations issued pursuant thereto.

Whenever any shipment of celery subject to the terms and provisions of the order has been inspected, but such celery is later dumped from the containers in which it was inspected, such celery loses its identity insofar as the original inspection certificate for it is concerned. If any such lot of celery is thereafter repacked, such repacked celery has a new identity and the subsequent handling of such celery should comply with regulations issued under the order. Such requirement is necessary to effectuate the declared policy of the act. Therefore, the order should provide that any person who handles Florida celery after it has been repacked, resorted, or regraded shall not handle such celery unless it has been inspected, except when relieved from such requirements by the Secretary. Such inspection of regraded, resorted, or repacked celery should be necessary so that the handler thereof, as well as subsequent handlers, and the committee may determine if such shipments comply with the regulations then in effect and applicable thereto.

The committee, with the approval of the Secretary, should be authorized to determine the length of time the inspection certificate is valid insofar as the requirements of the order are concerned. Such requirement is appropriate and necessary especially with respect to lot inspections which may be administratively desirable to accommodate handlers and truckers because celery is a perishable commodity.

(n) Certain hazards are encountered in the production of celery grown in the production area which are beyond the control or reasonable expectation of the producer of such celery. Because of these circumstances, and to provide equity among producers and handlers insofar as any regulations under the order are concerned, the committee should be given authority to issue exemption certificates to producer applicants to permit such applicants to handle their equitable proportion of all celery handled. It is contemplated, however, that such an exemption will require the approved applicant to handle his best quality celery.

The committee, by reason of its knowledge of the conditions and problems applicable to the production of celery in the production area and the information which it will have available in each case, will be well qualified to judge each applicant's case in a fair and equitable manner and to fix the quantity of exempted celery which each such applicant may handle.

The provisions contained in the notice of hearing relevant to the procedure to be followed in issuing exemption certificates, in investigating exemption claims, in appealing exemption claim determinations, and in recording and reporting exemption claim determinations to the Secretary are necessary to the orderly and equitable operation of the order and they should, therefore, be incorporated in the order. The committee should maintain adequate, comprehensive records of all applications for exemptions. Similarly, an adequate record should be maintained by the committee of all exemptions granted as well as shipments made under exemptions.

Provision should be made for the Secretary to modify, change, alter, or rescind any procedure established by the committee for granting of exemptions and of exemptions granted pursuant to such procedure. This is desirable to guard against inequities in the granting of exemptions and to preclude the issuance of exemption certificates in unjustifiable cases.

(6) Except as provided in the order, no handler should be permitted to handle celery, the handling of which is

prohibited pursuant to the order, and no handler should be permitted to handle celery except in conformity with the order. If the program is to be effective, no handler should be permitted to evade its provisions since such action on the part of one handler, although possibly of small impact on the industry measured by the proportion of celery handled by him, would be demoralizing to other handlers and would tend to impair operation of the program.

(7) The provisions of §§ 937.80 through 937.95, as published in the FEDERAL REGISTER of February 26, 1955 (20 F R. 1217) are common to marketing agreements and orders now operating. Such sections set forth certain rights, obligations, privileges, or procedures which are necessary and appropriate for the effective operation of the order. These provisions are incidental to, and not inconsistent with, section 8c (6) and (7) of the act, and are necessary to effectuate the other provisions of the order and to effectuate the declared policy of the act. The substance of such provisions, therefore, should be included in the order.

General findings. Upon the basis of evidence introduced in the hearing and record thereof it is found that:

(1) The order as hereinafter set forth, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act with respect to celery produced in the production area, by establishing and maintaining such orderly marketing conditions therefor as will tend to establish, as prices to the producers thereof, parity prices and by protecting the interest of the consumer (i) by approaching the level of prices which it is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, and (ii) by authorizing no action which has for its purpose the maintenance of prices to producers of such celery above the parity level, and (iii) by authorizing the establishment and maintenance of such minimum standards of quality and maturity, and such grading and inspection requirements as may be incidental thereto, as will tend to effectuate such orderly marketing of such celery as will be in the public interest, and (iv) by establishing and maintaining such orderly marketing conditions as will provide, in the interest of producers and consumers, an orderly flow of the supply of such celery to market throughout its normal marketing season to avoid unreasonable fluctuations in supplies and prices;

(2) The marketing agreement and order regulate the handling of celery grown in the production area in the same manner as, and is applicable only to, persons in the respective classes of industrial and commercial activity specified in a proposed marketing agreement upon which a hearing has been held;

(3) The said marketing agreement and order are limited in application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act; and the issuance of the several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) The said marketing agreement and order prescribe, so far as practicable, such different terms, applicable to different parts of the production area, as are necessary to give due recognition to the differences in the production and marketing of celery grown in the production area, and

(5) All handling of celery grown in the production area as defined in the said marketing agreement and order, is in the current of interstate or foreign commerce, or directly burdens, obstructs or affects such commerce.

Marketing agreement and order Annexed hereto and made a part hereof are two documents entitled respectively "Marketing Agreement Regulating the Handling of Celery Grown in Florida" and "Order Regulating the Handling of Celery Grown in Florida" which have been decided upon as the appropriate and detailed means of effectuating the foregoing conclusions. The aforesaid marketing agreement and the aforesaid order shall not become effective unless and until the requirements of § 900.14 of the aforesaid rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

It is hereby ordered, That all of this decision, except the attached agreement, be published in the FEDERAL REGISTER. The regulatory provisions of the said agreement are identical with those contained in the attached order, which will be published with this decision.

Dated: October 20, 1955.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

Order[1] *Regulating the Handling of Celery Grown in Florida*

AUTHORITY: §§ 937.0 to 937.92 issued under 48 Stat. 31, as amended; 7 U. S. C. 601 et seq., 68 Stat. 906, 1047.

§ 937.0 *Findings and determinations—*(a) *Findings upon the basis of the hearing record.* Pursuant to Public Act. No. 10, 73rd Congress (May 12, 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq., 68 Stat. 906, 1047) and the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900; 19 F R. 57) a public hearing was held at Winter Haven, Florida, on March 28–31, 1955, upon a proposed marketing agreement and a proposed order regulating the handling of celery grown in Florida. Upon the basis of evidence introduced in the hearing, and the record thereof, it is found that:

[1] This order shall not become effective unless and until requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

(1) The order as hereinafter set forth, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act with respect to celery produced in the production area, by establishing and maintaining such orderly marketing conditions therefor as will tend to establish, as prices to the producers thereof, parity prices and by protecting the interest of the consumer (i) by approaching the level of prices which it is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, and (ii) by authorizing no action which has for its purpose the maintenance of prices to producers of such celery above the parity level, and (iii) by authorizing the establishment and maintenance of such minimum standards of quality and maturity, and such grading and inspection requirements as may be incidental thereto, as will tend to effectuate such orderly marketing of such celery as will be in the public interest, and (iv) by establishing and maintaining such orderly marketing conditions as will provide, in the interest of producers and consumers, an orderly flow of the supply of such celery to market throughout its normal marketing season to avoid unreasonable fluctuations in supplies and prices;

(2) This order regulates the handling of celery grown in the production area in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activity specified in, a proposed marketing agreement upon which a hearing has been held;

(3) This order is limited in application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act; and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) This order prescribes, so far as practicable, such different terms, applicable to different parts of the production area, as are necessary to give due recognition to the difference in the production and marketing of celery grown in the production area; and

(5) All handling of celery grown in the production area as defined in this order, is in the current of interstate or foreign commerce, or directly burdens, obstructs or affects such commerce.

Order relative to handling. It is, therefore, ordered that on and after the effective time hereof, the handling of celery grown in Florida shall be in conformity to and in compliance with the terms and conditions of this order and such terms and conditions are as follows:

DEFINITIONS

§ 937.1 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States Department of Agriculture to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

§ 937.2 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq. 68 Stat. 906, 1947)

§ 937.3 *Person.* "Person" means an individual, partnership, corporation, association, or any other business unit.

§ 937.4 *Production area.* "Production area" means the entire State of Florida.

§ 937.5 *Celery.* "Celery" means all varieties of celery grown within the production area.

§ 937.6 *Type.* "Type" or "variety" means and includes those classifications or subdivisions of celery according to definitive characteristics now or hereafter recognized by the United States Department of Agriculture as Pascal type or variety and Golden type or variety.

§ 937.7 *Handle.* "Handle" means to harvest celery, or to sell, transport, or ship celery within the production area or between the production area and any point outside thereof: *Provided,* That such term shall not include the sale of unharvested celery or the sale of celery at retail.

§ 937.8 *Handler.* "Handler" is synonymous with "shipper" and means any person (except a common or contract carrier of celery owned by another person) who handles celery or causes celery to be handled.

§ 937.9 *Harvest.* "Harvest" is synonymous with "preparation for market" and means the cutting and stripping, and the sorting or separation of celery into grades and sizes for market.

§ 937.10 *Producer* "Producer" or "grower" means any person who is engaged in the production of celery for market.

§ 937.11 *Grade and size.* "Grade" means any one of the established grades of celery as defined and set forth in the United States Standards for Celery (§§ 51.560 to 51.581 of this title) or the United States Consumer Standards for Celery Stalks (§§ 51.595 to 51.609 of this title) or amendments thereto, or modifications thereof, or variations based thereon; and "size" means the number of celery stalks which may be packed in a container of fixed size and capacity, as approved by the Secretary pursuant to the methods set forth in this part.

§ 937.12 *Container* "Container" means a crate, bag, box, basket, package, or any other unit, used in the packaging, transportation, sale, shipment, or other handling of celery, the size, capacity, weight, dimensions, or pack of which is fixed pursuant to methods approved by the Secretary upon recommendation of the committee.

§ 937.13 *Pack.* "Pack" or "packs" means the manner in which stalks of celery may be placed in a container or containers.

§ 937.14 *Fiscal period.* "Fiscal period" means the period beginning August 1 and ending July 31 following.

§ 937.15 *Committee.* "Committee" means the administrative committee, called the Florida Celery Committee, established pursuant to § 937.25.

§ 937.16 *District.* "District" means each of the geographic divisions of the production area initially established pursuant to § 937.27, or as reestablished pursuant to § 937.28.

§ 937.17 *Field.* "Field" means a well delineated plot of cultivated land upon which celery is grown.

§ 937.18 *Block.* "Block" means a portion of a field or fields of celery which may be ready for harvest during designated periods.

§ 937.19 *Available supply of celery.* "Available supply of celery" means the linear feet of rows of unharvested celery of a particular variety ready for harvest for shipment during a particular prorate period or periods.

§ 937.20 *Allotment.* "Allotment" means the amount of celery which may be handled by any and all handlers during specific prorate periods.

§ 937.21 *Prorate period.* "Prorate period" means the period or periods of time recommended by the committee and approved by the Secretary during which allotments of celery may be established.

§ 937.22 *Export.* "Export" means shipment of celery beyond the boundaries of continental United States and of Canada.

COMMITTEE

§ 937.25 *Administrative committee.* (a) The Florida Celery Committee, consisting of 9 producer members, is hereby established as the administrative committee. For each member of such committee there shall be an alternate who shall have the same qualifications as the member.

(b) Each person selected as a member or alternate of the committee shall be an individual who is a producer, or an officer or employee of a producer, in the district for which selected and a resident of the production area.

§ 937.26 *Term of office.* (a) The term of office of members and alternates of the committee shall be for one year and shall begin as of August 1 and end as of July 31.

(b) Such members and alternates shall serve during the term of office for which they are selected and have qualified, or during that portion thereof beginning on the date on which they qualify during such term of office and continuing until the end thereof, and until their successors are selected and have qualified.

§ 937.27 *Districts.* For the purpose of determining the basis of selecting committee members and alternates, the following districts of the production area are hereby initially established:

District No. 1 or South Florida District. The Counties of Martin, Dade, Broward, Col-

lier, Monroe, Lee, Charlotte, St. Lucie, Okeechobee, Highlands, Indian River, Glades, Hendry, and Palm Beach.

District No. 2 or Florida West Coast District. The Counties of Sarasota, DeSoto, Hardee, Pinellas, Pasco, Polk, Manatee, and Hillsborough.

District No. 3 or Central and North Florida District. All the remaining counties in Florida not included in Districts 1 and 2.

§ 937.28 *Redistricting.* The committee may recommend, and pursuant thereto, the Secretary may approve, the reapportionment of committee members among districts, and the reestablishment of districts within the production area. In recommending any such changes, the committee shall give consideration to: (a) Shifts in celery acreage within districts and within the production area during years immediately preceding such consideration; (b) the importance of new production in its relation to existing districts; (c) the equitable relationship of committee membership and districts; (d) economies to result for producers in promoting efficient administration due to redistricting or reapportionment of members within districts; and (e) other relevant factors. No change in districting or in apportionment of members within districts may become effective within less than 30 days prior to the date on which terms of office begin each year and no recommendations for such redistricting or reapportionment may be made less than six months prior to such date.

§ 937.29 *Selection.* The Secretary shall select 3 members, with alternates, from District No. 1, 2 members, with alternates, from District No. 2, and 4 members, with alternates from District No. 3, to serve on the committee.

§ 937.30 *Nomination.* The Secretary may select the members of the committee and alternates from nominations which may be made in the following manner:

(a) A meeting or meetings of producers shall be held in each district to nominate members and alternates for the committee. For nominations to the initial committee, the meetings may be sponsored by the United States Department of Agriculture or by any agency or group requested to do so by such Department. Appropriate notice of such meetings shall be given to growers by means of press release to newspapers and other media of communications. For nominations for succeeding members and alternates, the committee shall give appropriate notice thereof and shall hold such meetings or cause them to be held prior to July 10 of each year, after the effective date of this subpart.

(b) At each such meeting at least two nominees shall be designated for each position as committee member and for each position as alternate. The producer in each district who during the season immediately prior to the current fiscal period sold of his own production the largest amount of celery among all producers in such district and who elects to vote therein may designate two such nominees for a member and two such nominees for an alternate. At such meetings other eligible voters may ballot to indicate the ranking of their choice among the nominees.

(c) Nominations for committee members and for alternates, other than initial members and alternates, shall be supplied to the Secretary in such manner and form as he may prescribe, not later than July 15, of each year.

(d) In the event a person is engaged in producing celery in more than one district, such person shall elect the district within which he may participate as aforesaid in designating nominees.

(e) Regardless of the number of districts in which a person produces celery, each such person is entitled to cast only one vote on behalf of himself, his agents, subsidiaries, affiliates, and representatives in designating nominees for committee members and alternates. An eligible voter's privilege of casting only one vote as aforesaid shall be construed to permit a voter to cast one vote for each position to be filled in the district in which he elects to vote.

§ 937.31 *Failure to nominate.* If nominations are not made within the time and in the manner specified in § 937.30, the Secretary may, without regard to nominations, select the members and alternates of the committee, which selection shall be on the basis of the representation provided for in § 937.29.

§ 937.32 *Acceptance.* Any person selected as a committee member or alternate shall qualify by filing a written acceptance with the Secretary within ten days after being notified of such selection.

§ 937.33 *Vacancies.* To fill vacancies in the committee, the Secretary may select such members or alternates from unselected nominees on the respective current nominee lists from the district involved; or from nominations made in the manner specified in § 937.30. If the names of nominees to fill any such vacancy are not made available to the Secretary within 30 days after such vacancy occurs, such vacancy may be filled without regard to nominations, which selection shall be made on the basis of the representation provided for in § 937.29.

§ 937.34 *Alternate members.* An alternate shall act in the place and stead of the respective committee member for whom he is an alternate, during such member's absence. In the event of the death, removal, resignation, or disqualification of a member, his alternate shall act for him until a successor of such member is selected and has qualified.

§ 937.35 *Procedure.* (a) Six members of the committee shall be necessary to constitute a quorum and the same number of concurring votes shall be required to pass any motion or approve any committee action.

(b) The committee may provide for meeting by telephone, telegraph, or other means of communication and any vote cast at such a meeting shall be promptly confirmed in writing: *Provided,* That if any assembled meeting is held, all votes shall be cast in person.

§ 937.36 *Expenses and compensation.* Committee members and alternates may be reimbursed for expenses necessarily incurred by them in the performance of duties and in the exercise of powers under this part.

§ 937.37 *Powers.* The committee shall have the following powers:

(a) To administer the provisions of this part in accordance with its terms;

(b) To make rules and regulations to effectuate the terms and provisions of this part;

(c) To receive, investigate, and report to the Secretary complaints of violation of the provisions of this part; and

(d) To recommend to the Secretary amendments to this part.

§ 937.38 *Duties.* It shall be the duty of the committee:

(a) At the beginning of each term of office, to meet and organize, to select a chairman and such other officers as may be necessary, to select subcommittees of committee members, and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(b) To act as intermediary between the Secretary and any producer or handler;

(c) To furnish to the Secretary such available information as he may request;

(d) To appoint such employees, agents, and representatives as it may deem necessary and to determine the salaries and define the duties of each such person;

(e) To prepare a marketing policy;

(f) To recommend marketing regulations to the Secretary;

(g) To recommend rules and procedures for, and to make determinations in connection with, issuance of certificates of privilege or exemptions, or both;

(h) To investigate an applicant's claim for exemption;

(i) To keep minutes, books, and records which clearly reflect all of the acts and transactions of the committee and such minutes, books and records shall be subject to examination at any time by the Secretary or his authorized agent or representative. Minutes of each committee meeting shall be reported promptly to the Secretary;

(j) At the beginning of each fiscal period to prepare a budget of committee expenses for such fiscal period, together with a report thereon;

(k) To cause committee books to be audited by a competent accountant at least once each fiscal period, and at such other time as the committee may deem necessary or as the Secretary may request;

(l) To prepare and maintain, in cooperation with handlers, an accurate map or diagram for each field of celery by grower designation and by blocks;

(m) To provide an adequate system for determining the total available supply of celery by varieties or types, and to make such determinations, including determinations by grade and size, as it may deem necessary, or as may be prescribed by the Secretary, in connection with the administration of this part;

(n) To investigate compliance with respect to any regulation pursuant to this part applicable to handling of celery or harvesting celery for shipment;

(o) To consult, cooperate, and exchange information with other marketing order committees and other individuals or agencies in connection with all proper committee activities and objectives under this part.

EXPENSES AND ASSESSMENTS

§ 937.40 *Expenses.* The committee is authorized to incur such expenses as the Secretary may find are reasonable and likely to be incurred during each fiscal period for the maintenance and functioning of the committee, and for such purposes as the Secretary, pursuant to this subpart, determines to be appropriate. Handlers shall share expenses upon the basis of a fiscal period or such portion or portions thereof as the committee may recommend and the Secretary approve as a representative period. Each handler's share of such expense shall be proportionate to the ratio between the total quantity of celery handled by him as the first handler thereof during the fiscal period or representative period and the total quantity of celery handled by all handlers as first handlers thereof during such fiscal period or representative period.

§ 937.41 *Budget.* At the beginning of each fiscal period and as may be necessary thereafter, the committee shall prepare an estimated budget of income and expenditures necessary for the administration of this part. The committee may recommend a rate of assessment calculated to provide adequate funds to defray its proposed expenditures. The committee shall present such budget to the Secretary with an accompanying report showing the basis for its calculations.

§ 937.42 *Assessments.* (a) The funds to cover the committee's expenses shall be acquired by the levying of assessments upon handlers as provided in this subpart. During any period in which handling of celery is regulated pursuant to this part each handler who first handles celery after it has been prepared for market shall pay assessments to the committee upon demand, which assessments shall be in payment of such handler's pro rata share of the committee's expenses.

(b) Assessments shall be levied upon handlers at rates established by the Secretary. Such rates may be established upon the basis of the committee's recommendations and other available information. Such rates may be applied to specified containers used in the production area.

(c) At any time during, or subsequent to, a given fiscal period the committee may recommend the approval of an amended budget and an increase in the rate of assessment. Upon the basis of such recommendations, or other available information, the Secretary may approve an amended budget and increase the rate of assessment. Such increase shall be applicable to all handling of celery which is regulated under this part and which is handled by the first handler thereof during such fiscal period.

§ 937.43 *Accounting.* (a) All funds received by the committee pursuant to the provisions of this part shall be used solely for the purposes specified in this part.

(b) The report of the audit which the committee is required to have made at least once each fiscal period shall show the receipts and expenditures of funds collected pursuant to this part. A copy of each such report shall be furnished to the Secretary and a copy of each such report shall be made available at the principal office of the committee for inspection by producers and handlers.

(c) The Secretary may at any time require the committee, its members and alternates, employees, agents, and all other persons to account for all receipts and disbursements, funds, property, or records for which they are responsible. Whenever any person ceases to be a member of the committee, or alternate, he shall account to his successor, the committee, or the person designated by the Secretary, for all receipts, disbursements, funds, and property (including but not being limited to books and other records) pertaining to the committee's activities for which he is responsible, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor, committee, or designated person, the right to all of such property and funds and all claims vested in such person.

(d) The committee may make recommendations to the Secretary for one or more of the members thereof, or any other person, to act as a trustee for holding records, funds, or any other committee property during periods of suspension of this subpart, or during any period or periods when regulations are not in effect and, if the Secretary determines such action appropriate, he may direct that such person or persons shall act as trustee or trustees for the committee.

§ 937.44 *Refunds.* At the end of each fiscal period or other representative period used by the committee as a basis for seasonal accounting, monies arising from the excess of assessments over expenses shall be accounted for as follows:

(a) Each handler entitled to a proportionate refund of the excess assessments at the end of a fiscal period shall be credited with such refund against the operations of the following fiscal period unless he demands payment thereof, in which event such proportionate refund shall be paid to him; or

(b) The Secretary, upon recommendation of the committee may determine that it is appropriate for the maintenance and functioning of the committee that some of the funds collected during a fiscal period which are in excess of the expenses necessary for the committee's operations during such period may be carried over into following periods as a reserve for possible liquidation. Upon approval by the Secretary, such reserve may be used upon termination of this part to liquidate the affairs of the committee: *Provided,* That upon termination of this part any monies in the reserve for liquidation which are not required to defray the necessary expenses of such liquidation shall to the extent practical be returned upon a pro rata basis to all persons from whom such funds were collected.

RESEARCH

§ 937.48 *Research and development.* The committee may investigate from time to time and assemble data on the growing, harvesting, shipping, and marketing conditions with respect to celery, and, upon approval of the Secretary, may provide for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of celery.

REGULATION

§ 937.50 *Marketing policy.* (a) Prior to or at the same time as recommendations are made pursuant to § 937.51, a marketing policy deemed desirable for the industry to follow in handling celery during the ensuing marketing period shall be developed by the committee. In developing such marketing policy, the committee shall give due consideration to the following:

(1) Estimates by districts and by prorate periods of the available supply, in terms of linear feet of rows, or crates, or both, of celery by types or groupings thereof, by grade, size, and quality in the production area, and supply estimates for celery in competing areas;

(2) Estimated shipments by prorate periods for the current season of celery from each district and from competing areas;

(3) Estimated supplies of competing commodities;

(4) Current and prospective marketing prices and marketing conditions for Florida celery, including prices by grades, sizes, and quality, and similar estimates for competing areas;

(5) Estimates of harvesting and marketing costs and charges for celery grown in Florida;

(6) The level and trend of consumer income;

(7) Marketing conditions affecting celery prices; and

(8) Other factors pertinent to celery marketing.

(b) The marketing policy shall be reported to the Secretary by the committee. Additional reports shall be submitted from time to time if requested by the Secretary, or if it is deemed advisable by the committee to adopt a new marketing policy because of changes in the demand and supply situation with respect to celery. Such reports shall set forth: (1) Estimates of the available supply of celery for shipment during the season or respective portions thereof and estimates of the proportion of such crop which should be shipped during such season or respective portions thereof; (2) the proposed regulations which may be recommended by the committee during such season, or respective portions thereof, and the justification therefor; and (3) the estimates and other data set forth in and considered pursuant to paragraph (a) of this section.

(c) The committee shall notify producers and handlers of the contents of each such report by publishing a summary thereof in such newspapers of general circulation in each district as the committee may select.

§ 937.51 *Recommendations for regulations.* The committee, upon complying with the requirements of § 937.50, may recommend to the Secretary regulations authorized in this part whenever it finds that such regulations will tend to effec-

tuate the declared policy of the act. The committee may also recommend amendment, modification, termination, or suspension of any regulation issued under this part.

§ 937.52 *Issuance of regulation.* The Secretary shall regulate the handling of celery in any one or more of the ways set forth in this subpart whenever he finds from the recommendations and information submitted by the committee, or from other available information, that such regulations will tend to effectuate the declared policy of the act. Such regulations may:

(a) Limit, in any or all portions of the production area, the handling of particular grades, sizes, qualities, or packs of any or all types of celery during any period; or

(b) Limit the handling of particular grades, sizes, qualities, or packs of celery differently, for different types, for different portions of the production area, for different containers, for different purposes specified in § 937.60; or any combination of the foregoing during any period; or

(c) Limit the handling of celery by establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity; or

(d) Fix the size, weight, capacity dimensions, or pack of the container or containers which may be used in the packaging, transportation, sale, shipment, or other handling of celery; or

(e) Fix, or provide methods pursuant to §§ 937.53 through 937.55 for fixing, the total allotments of any or all types of celery that may be handled by each handler during a specified prorate period or periods.

§ 937.53 *Prorate bases.* (a) Each handler who has celery available for handling during a particular prorate period or periods and who desires to handle such celery during such prorate periods, shall submit to the committee a written application for a prorate base and for allotments as provided in this part. Such applications and supporting information shall be submitted in such manner and in such form as the committee shall designate pursuant to rules and regulations approved by the Secretary pursuant to § 937.56.

(b) For each prorate period during the marketing season when volume regulation has been or is likely to be recommended for a particular type of celery, the committee, upon receipt of applications for prorate bases and allotments with accompanying reports and information from handlers, shall compute the available supply of celery of such type of each handler who has applied for prorate bases and for allotments. On the basis of such computations, the committee shall fix prorate bases for each handler who is entitled thereto. Each such prorate base shall represent the ratio between the available supply of celery of the particular type of each applicant during a particular prorate period and the total available supply of celery of the same type of all such applicants during the same prorate period. The committee shall notify each handler of each prorate base fixed for him.

§ 937.54 *Allotments.* (a) The Secretary, upon the basis of recommendations by the committee or other available information, shall fix the total linear feet of rows from which each type of celery may be handled during any specified prorate period or periods, and whenever the Secretary so fixes such total, the committee shall compute the quantity of each such type of celery that may be handled by each handler during such prorate period or periods. Each such quantity shall be the allotment of such handler and shall be in an amount equivalent to the product of the prorate base for such handler for a particular type of celery and the total linear feet of rows of the same type fixed by the Secretary as the total of such type from which celery may be handled during such prorate period or periods. Each allotment for each handler shall be designated by type in terms of linear feet of rows of celery that may be harvested. The committee shall give reasonable notice to each handler of the allotment computed for him pursuant to this part.

(b) During a particular prorate period celery may be handled by any handler pursuant to an allotment only from such harvested rows which are contained in the fields and blocks specified in the applicable approved report filed by such handler which shows his available supply of celery for such specified prorate period. Such celery, shall be harvested from the same relative location in each row of each block within each field, or from consecutive complete rows except that the last rows cut in each block or field may be fractions of rows to complete the total linear feet of rows of celery specified in the allotment.

(c) Celery contained in any handler's reported available supply of celery for a particular prorate period and not included in the allotment, as aforesaid, for such period shall remain unharvested until a certificate of compliance has been issued by a designated agent of the committee with respect to such unharvested celery. None of such unharvested celery may thereafter be harvested for shipment unless all handlers' unharvested celery, originally contained in reports of available supply of celery for a particular prorate period is authorized by the Secretary to be harvested for shipment. The Secretary may issue such authorization upon recommendation of the committee or upon other available information.

§ 937.55 *Modification of allotments.* (a) Each handler who gives written or telegraphic notice to the committee that such handler will not, during a current prorate period, harvest for shipment all or a portion of the celery included in his allotment for such prorate period, may withdraw his application for such allotment or portion thereof. All such celery which was included in the previous application and which is not harvested, as aforesaid, may thereafter be included in such handler's report of his available supply of celery for any subsequent prorate period; and an application based thereon for a prorate base and an allotment may be made for such prorate period. In the event of allotments during such subsequent period for the type which was withdrawn, as aforesaid, the prorate base for such withdrawn celery for such subsequent prorate period shall be a number of percentage points, as recommended by the committee, and approved by the Secretary, lower than the prorate base which applies to such variety for such prorate period.

(b) Each handler who gives written or telegraphic notice to the committee that such handler desires, during a particular prorate period, to harvest a quantity of a particular type of celery in excess of his allotment for such prorate period may exceed his allotment on the following conditions in addition to those set forth in § 937.54 (b) (1) The total number of linear feet of rows of such type of celery which such handler desires to harvest for shipment shall be included in the aforesaid notice and shall be identified by field, block, and row; and (2) the prorate base for such total number of linear feet of rows shall be a number of percentage points lower, as recommended by the committee and approved by the Secretary, than the prorate base which applies to such type for such prorate period.

§ 937.56 *Reports.* (a) The committee, with approval of the Secretary, may request handlers for reports and information which are necessary and incidental to the operation of this part. Each handler so requested pursuant hereto shall submit such reports and information to the committee. Such reports may include, but not be limited to, estimates by handlers, in such form and at such times as the committee finds necessary, of the quantities of celery available for handling or handled during specific periods by each reporting handler.

(b) The committee may prescribe, with approval of the Secretary, through rules and regulations, the type of reports, the times when such reports shall be submitted, and the information which shall be submitted by handlers with respect to the celery which they own or control. Such reports may be requested weekly, if found necessary but not more often, in the case of regulation by prorate periods. Maps or diagrams of fields and blocks of celery, by variety or type, by time of planting, by time of prospective harvest, and by the amount handled during specific periods, by grade, size, and quality, as well as other reports and information necessary and incidental to the operation of this part, may be requested as parts of handlers' reports.

(c) All reports, including reports of available supply of celery submitted by handlers, and all requests for allotment shall be subject to inspection, correction of errors, and approval by the committee. All such reports shall be held under appropriate protective classification and custody by the committee, or duly appointed employees thereof, so that information contained therein which may adversely affect the competitive position of any handler in relation to other han-

dlers will not be disclosed. Compilations of general reports from data submitted by handlers is authorized, subject to prohibition of disclosure of individual handlers' identities or operations.

§ 937.57 *Notice.* (a) The committee shall give notice to all handlers of meetings to consider recommendation of regulation pursuant to § 937.52. Such notice shall contain a direction to handlers to make the application required by § 937.53 (a) whenever the committee contemplates recommending regulation pursuant to § 937.52 (e) Such notice shall be given in adequate time prior to the meeting for handlers to receive such notice, and the adequate time shall be determined pursuant to the rules and regulations authorized by § 937.56 (b) as approved by the Secretary.

(b) The committee shall promptly give notice of any recommendation for regulations pursuant to § 937.52 (e) at least forty-eight (48) hours before the recommended effective time of the proposed regulation by forwarding a copy of such recommendation to each handler who has filed his address with the committee for this purpose.

(c) Prior to the beginning of each regulation issued pursuant to § 937.52, the Secretary shall notify the committee of the regulation issued and such committee shall promptly give notice thereof to all handlers and also shall forward a copy of such notice to each handler who has filed his address for that purpose with the committee.

§ 937.58 *Minimum quantities.* The committee, with the approval of the Secretary, may establish, for any or all portions of the production area, minimum quantities below which shipments will be free from regulations issued or effective pursuant to §§ 937.42, 937.52, 937.59, 937.60, 937.65, or any combination thereof.

§ 937.59 *Shipments for special purposes.* Upon the basis of recommendations and information submitted by the committee, or other available information, the Secretary, whenever he finds that it will tend to effectuate the declared policy of the act, shall modify, suspend, or terminate regulations issued pursuant to §§ 937.42, 937.52, 937.58, 937.65, or any combination thereof, in order to facilitate handling of celery for the following purposes:

(a) For grading within the production area;

(b) For export;

(c) For relief or for charity; or

(d) For other purposes which may be specified.

§ 937.60 *Safeguards.* (a) The committee, with the approval of the Secretary, may prescribe adequate safeguards to prevent shipments pursuant to § 937.58 or § 937.59 from entering channels of trade for other than the specific purpose authorized therefor, and rules governing the issuance and contents of Certificates of Privilege if such certificates are prescribed as safeguards by the committee. Such safeguards may include requirements that:

(1) Handlers shall file applications with the committee to handle celery pursuant to §§ 937.58 and 937.59; or

(2) Handlers shall obtain inspection provided by § 937.65, or pay the assessment pursuant to § 937.42, or both, in connection with handling pursuant to § 937.59; or

(3) Handlers shall obtain Certificates of Privilege from the committee for handling of celery under the provisions of §§ 937.58 and 937.59.

(b) The committee may rescind Certificates of Privilege, or deny such certificates to any handler, if proof is obtained that celery handled by him was handled contrary to the provisions of this part.

(c) The Secretary shall have the right to modify, change, alter, or rescind any safeguards prescribed and any certificates issued by the committee pursuant to the provisions of this section.

(d) The committee shall make reports to the Secretary, as requested, showing the number of applications for such certificates, the quantity of celery covered by such applications, the number of such applications denied and certificates granted, the quantity of celery handled under duly issued certificates, and such other information as may be requested.

INSPECTION

§ 937.65 *Inspection and certification.* (a) During any period in which the handling of celery is regulated pursuant to §§ 937.52 or 937.59, or both, no handler shall handle celery unless such celery is inspected by an authorized representative of the Federal-State Inspection Service, or such other inspection service as the Secretary shall designate, and is covered by a valid inspection certificate, except when relieved from such requirements by the Secretary pursuant to recommendation by the committee.

(b) Regrading, resorting, or repacking any lot of celery shall invalidate any prior inspection certificates insofar as the requirements of this section are concerned. No handler shall handle celery after it has been regraded, resorted, repacked, or in any other way further prepared for market within the production area, unless such celery is inspected by an authorized representative of the Federal-State Inspection Service, or such other inspection service as the Secretary shall designate, except when relieved from such requirement by the Secretary, pursuant to recommendation of the committee.

(c) Insofar as the requirements of this section are concerned the length of time for which an inspection certificate is valid may be established by the committee with the approval of the Secretary.

(d) When celery is inspected in accordance with the requirements of this section, a copy of each inspection certificate issued shall be made available to the committee by the inspection service.

EXEMPTIONS

§ 937.70 *Procedure.* The committee may adopt, with approval of the Secretary, the procedures pursuant to which certificates of exemption will be issued to producers for the purpose of obtaining equitable treatment under regulation issued pursuant to § 937.52.

§ 937.71 *Granting exemptions.* The committee shall issue certificates of exemption to any producer who applies for such exemptions and furnishes adequate evidence to the committee, that by reason of a regulation issued pursuant to § 937.52 he will be prevented from handling as large a proportion of his celery as the average proportion handled during the entire season, or such portion thereof as may be determined by the committee, of all producers' celery in said applicant's immediate production area and the grade, size, or quality of the applicant's celery crop has been adversely affected by acts beyond the applicant's control and by acts beyond reasonable expectation. Each certificate shall permit the handling of such quantity of celery as may be specified thereon. Such certificate shall be transferred with such celery at the time of transportation or sale.

§ 937.72 *Investigation.* The committee shall be permitted at any time to make a thorough investigation of any producer's or handler's claim pertaining to exemptions.

§ 937.73 *Appeal.* If any applicant for exemption certificates is dissatisfied with the determination by the committee with respect to his application, said applicant may file an appeal with the committee. Such an appeal must be taken promptly after the determination by the committee from which the appeal is taken. Any applicant filing an appeal shall furnish evidence satisfactory to the committee for a determination on the appeal. The committee shall thereupon reconsider the application, examine all available evidence, and make a final determination concerning the application. The committee shall notify the appellant of the final determination, and shall furnish the Secretary with a copy of the appeal and a statement of considerations involved in making the final determination.

§ 937.74 *Records.* (a) The committee shall maintain a record of all applications submitted for exemption certificates, a record of all exemption certificates issued and denied, the quantity of celery covered by such exemption certificates, a record of the amount of celery handled under exemption certificates, a record of appeals for reconsideration of applications, and such information as may be requested by the Secretary. Periodic reports on such records shall be compiled and issued by the committee upon request of the Secretary.

(b) The Secretary shall have the right to modify, change, alter, or rescind any procedure and an exemptions granted pursuant to §§ 937.70, through 937.73.

MISCELLANEOUS PROVISIONS

§ 937.80 *Compliance.* Except as provided in this subpart:

(a) No handler shall handle celery, the handling of which has been prohibited in accordance with the provisions of this part; and

(b) No handler shall harvest celery for shipment during any prorate period in which a regulation issued by the Secretary pursuant to § 937.52 (e) is in effect, unless such celery is covered by an allotment or modification thereof.

§ 937.81 *Right of the Secretary.* The members of the committee (including successors and alternates) and any agent or employee appointed or employed by the committee, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval the disapproved action of said committee shall be deemed null and void, except as to acts done in reliance thereon or in compliance therewith prior to such disapproval by the Secretary.

§ 937.82 *Effective time.* The provisions of this subpart shall become effective at such time as the Secretary may declare above his signature attached to this subpart, and shall continue in force until terminated in one of the ways specified in this subpart.

§ 937.83 *Termination.* (a) The Secretary may at any time, terminate the provisions of this subpart by giving at least one (1) day's notice by means of a press release or in any other manner which he may determine.

(b) The Secretary may terminate or suspend the operation of any or all of the provisions of this subpart whenever he finds that such provisions do not tend to effectuate the declared policy of the act.

(c) The Secretary shall terminate the provisions of this subpart at the end of any fiscal period whenever he finds, by referendum or otherwise, that such termination is favored by the majority of the producers who, during such representative period as may be determined by the Secretary, have been engaged in the production of celery for market: *Provided,* That such majority has, during such representative period, produced for market more than fifty (50) percent of the volume of celery produced for market, but such termination shall be effective only if announced on or before June 30 of the then current fiscal period.

(d) The provisions of this subpart shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

§ 937.84 *Proceedings after termination.* (a) Upon the termination of the provisions of this subpart, the then functioning members of the committee shall continue as joint trustees, for the purpose of liquidating the affairs of said committee, of all funds and property then in the possession of or under control of such committee, including claims for any funds unpaid or property not delivered at the time of such termination. The rules of procedure governing the activities of said joint trustees, including but not being limited to the determination as to whether action shall be taken by a majority vote of the joint trustees, shall be prescribed by the Secretary.

(b) The said trustees (1) shall continue in such capacity until discharged by the Secretary; (2) shall, from time to time, account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the joint trustees, to such person as the Secretary may direct; and (3) shall, upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the committee or the joint trustees pursuant to this subpart.

(c) Any person to whom funds, property, or claims have been transferred or delivered by the committee or its members, pursuant to this section shall be subject to the same obligations imposed upon the members of said committee and upon the said joint trustees.

§ 937.85 *Effect of termination or amendment.* Unless otherwise expressly provided by the Secretary, the termination of this subpart or any regulation issued pursuant to this subpart or the issuance of any amendments to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision of this subpart or any regulation issued under this subpart, or (b) release or extinguish any violation of this subpart or of any regulations issued under this subpart or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violations.

§ 937.86 *Duration of immunities.* The benefits, privileges, and immunities conferred upon any person by virtue of this subpart shall cease upon the termination of this subpart, except with respect to acts done under and during the existence of this subpart.

§ 937.87 *Agents.* The Secretary may, by designation in writing, name any person including any officer or employee of the Government, or name any agency in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this subpart.

§ 937.88 *Derogation.* Nothing contained in this subpart is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 937.89 *Personal liability.* No member or alternate of the committee, nor any employee thereof, shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any handler or to any other person or errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, employee, or agent, except for acts of dishonesty.

§ 937.90 *Separability.* If any provision of this subpart is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this subpart or the applicability thereof to any other person, circumstance, or thing shall not be affected thereby.

§ 937.91 *Amendments.* Amendments to this subpart, may be proposed, from time to time, by the committee or by the Secretary.

§ 937.92 *Title.* This subpart shall be entitled Order No. 37. Reference to this subpart in rules and regulations pursuant thereto may be made to this title and such reference shall be considered comprehensive, and to include all amendments thereto that are in effect at the time of such reference.

Order Directing That a Referendum Be Conducted Among Producers; Designating Agents to Conduct Such Referendum, and Determination of a Representative Period

Pursuant to the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.), it is hereby directed that a referendum be conducted among producers who, during the period August 1, 1954, to July 31, 1955 (which period is hereby determined to be a representative period for the purpose of such referendum), were engaged, in the production area as defined in § 937.4 of Order No. 37 (7 CFR Part 937), in the production of celery for market, to determine whether such producers approve or favor the issuance of an order regulating the handling of celery grown therein, and said order is annexed to the decision of the Secretary of Agriculture.

The procedure applicable to the referendum shall be the "Procedure for the Conduct of Referenda Among Producers in Connection With Marketing Orders (Except Those Applicable to Milk and Its Products) to Become Effective Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended" (15 F R. 5176)

For the purpose of this referendum, the production area defined in § 937.4 of Order No. 37 means the entire State of Florida.

M. F Miller and W R. Cleveland, Field Representatives, Fruit and Vegetable Division, Agricultural Marketing Service, U. S. Department of Agriculture, Florida Citrus Mutual Building, Lakeland, Florida, and E. E. Gallahue, Fruit and Vegetable Division, Agricultural Marketing Service, U. S. Department of Agriculture, Washington 25, D. C., are hereby designated as agents of the Secretary of Agriculture to conduct said referendum jointly or severally.

Copies of the text of the aforesaid order, the aforesaid procedure, and of this order may be examined in the office of the referendum agents, at the office of the Hearing Clerk, Administration Building, U. S. Department of Agriculture, Washington, D. C., and at those places within the production area announced by the referendum agents.

Ballots to be cast in the referendum and copies of the text of said order may be obtained from any referendum agent and any appointee hereunder.

(48 Stat. 31, as amended; 7 U. S. C. 691 et seq.)

Done at Washington, D. C., this 20th day of October 1955.

[F. R. Doc. 55-8610; Filed, Oct. 24, 1955; 8:54 a. m.]

FEDERAL DEPOSIT INSURANCE CORPORATION

[12 CFR Part 329]

PAYMENT OF DEPOSITS AND INTEREST THEREON BY INSURED NONMEMBER BANKS

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that adoption of the following amendment of § 329.0 of Chapter III, Title 12, Code of Federal Regulations, is contemplated. Prior to its final adoption, however, consideration will be given to any data, views or comments pertaining thereto which are submitted in writing to the Secretary, Federal Deposit Insurance Corporation, Washington 25, D. C., by any interested person within thirty days from the publication of this notice in the FEDERAL REGISTER.

The proposed amendment is as follows:

Section 329.0 is amended by deleting the last sentence thereof which reads as follows: "The provisions of this part do not apply to mutual savings banks or to any deposit in a bank located outside of, or payable only at a bank's office which is located outside of, the States of the United States and the District of Columbia."

and by substituting in lieu thereof the following sentence: "The provisions of this part do not apply to mutual savings banks, or to guaranty savings banks operating in the State of New Hampshire so long as said guaranty savings banks operate substantially under and pursuant to the laws of the State of New Hampshire pertaining to mutual savings banks and do not engage in commercial banking, or to any deposit in a bank located outside of, or payable only at a bank's office which is located outside of, the United States of America and the District of Columbia."

FEDERAL DEPOSIT INSURANCE CORPORATION,
[SEAL] A. J. LODA,
Acting Secretary.

[F. R. Doc. 55-8644; Filed, Oct. 24, 1955; 8:56 a. m.]

NOTICES

DEPARTMENT OF COMMERCE

Maritime Administration

TRADE ROUTE NO. 30; WASHINGTON AND OREGON PORTS/FAR EAST

ESSENTIALITY AND UNITED STATES FLAG SERVICE REQUIREMENTS; CONCLUSIONS AND DETERMINATIONS

Notice is hereby given that on October 14, 1955, the Maritime Administrator, acting pursuant to Section 211 of the Merchant Marine Act, 1936, as amended, found and determined the essentiality and United States flag service requirements of United States Foreign Trade Route No. 30 and, in accordance with his action of October 29, 1954, ordered that the following conclusions and determinations reached by the Maritime Administrator with respect to said route be published in the FEDERAL REGISTER:

1. Trade Route No. 30, as described below is reaffirmed as an essential foreign trade route of the United States with no change in the United States and foreign areas served:

Between Washington and Oregon ports and ports in the Far East (Japan, Formosa, Philippine Islands, and the Continent of Asia from the Union of Soviet Socialist Republics to Siam, inclusive)

2. Requirements for United States flag operation are approximately 9 to 11 sailings per month of freight vessels, with approximately one-half serving the route exclusively, and the remainder serving it in conjunction with other United States Coastal areas.

3. The C-3 type freighter now operated on Trade Route No. 30 is suitable for operation thereon, and the present C-2 type and AP-3 Victory type ships are suitable for interim operation thereon. Under present conditions approximately 22 to 27 U. S. flag freighters are required to serve the route adequately. Replacement freighters should be somewhat superior to the present C-3 design.

Any person, firm or corporation having any interest in the foregoing who desires to offer comments and views thereon should submit same in writing to the Secretary, Maritime Administration, Department of Commerce, Washington 25, D. C., within fifteen (15) days from the date of publication of this notice in the FEDERAL REGISTER. The Maritime Administrator will consider these comments and views and take such action with respect thereto as in his discretion he deems warranted.

Dated: October 20, 1955.

By order of the Maritime Administrator.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 55-8612; Filed, Oct. 24, 1955; 8:55 a. m.]

DEPARTMENT OF AGRICULTURE

Commodity Stabilization Service

PEANUTS

NOTICE OF REDELEGATION OF FINAL AUTHORITY BY THE ALABAMA STATE AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEE

Section 729.731 of the Marketing Quota Regulations for the 1956 Crop of Peanuts (20 F R. 6033), issued pursuant to the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393) provides that any authority delegated to the State Agricultural Stabilization and Conservation Committee by the regulations may be redelegated by the State Committee. In accordance with Section 3 (a) (1) of the Administrative Procedure Act (5 U. S. C. 1002 (a)), which requires delegations of final authority to be published in the FEDERAL REGISTER, there are set out herein the redelegations of final authority which have been made by the Alabama State Agricultural Stabilization and Conservation Committee of authority vested in such committee by the Secretary of Agriculture in the regulations referred to above. Shown below are the sections of the regulations in which such authority appears and the persons to whom the authority has been redelegated:

ALABAMA

Section 729.711 (1) (5)—County Committees.

Section 729.723—State Administrative Officer and District Fieldman of the Office of the State ASC Committee.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply secs. 301, 353, 359, 301-303, 372, 373, 374, 376, 383, 52 Stat. 38, 62, 63, 64, 65, 66, 68, as amended; 55 Stat. 83, as amended, 66 Stat. 27; 7 U. S. C. 1301, 1358, 1359, 1361-1363, 1372, 1373, 1374, 1376, 1383)

Issued at Washington, D. C., this 19th day of October 1955.

[SEAL] EARL M. HUGHES,
Administrator
Commodity Stabilization Service.

[F. R. Doc. 55-8585; Filed, Oct. 24, 1955; 8:49 a. m.]

PEANUTS

REDELEGATION OF FINAL AUTHORITY BY THE NEW MEXICO STATE AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEE

The Marketing Quota Regulations for the 1955 Crop of Peanuts (20 F R. 3819) issued pursuant to the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), provide that any authority delegated to the State Agricultural Stabilization and Conservation Committee by the regulations may be redelegated by the State committee. In accordance with Section 3 (a) (1) of the Administrative Procedure Act (5 U. S. C. 1002 (a)), which requires delegations of final authority to be published in the FEDERAL REGISTER, there are set out herein the

redelegations of final authority which have been made by the New Mexico State Agricultural Stabilization and Conservation Committee of authority vested in such committee by the Secretary of Agriculture in the regulations referred to above. There are set out below the sections of the regulations in which such authority appears and the person of the Agricultural Stabilization and Conservation Committee to whom the authority has been redelegated.

NEW MEXICO

Sections 729.653 (b) and (c) and 729.657 (c)—Dale H. Helsper, State Administrative Officer and W. C. Hutchins, Jr., Program Specialist, of the State ASC Committee.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply secs. 301, 358, 359, 361–368, 372, 373, 374, 376, 388, 52 Stat. 38, 62, 63, 64, 65, 66, 68, as amended; 55 Stat. 88, as amended, 66 Stat. 27; 7 U. S. C. 1301, 1358, 1359, 1361–68, 1372, 1373, 1374, 1376, 1388)

Issued at Washington, D. C., this 19th day of October 1955.

[SEAL] EARL M. HUGHES,
Administrator
Commodity Stabilization Service.

[F. R. Doc. 55–8586; Filed, Oct. 24, 1955; 8:49 a. m.]

PEANUTS

REDELEGATION OF FINAL AUTHORITY BY THE GEORGIA STATE AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEE

Section 729.731 of the Marketing Quota Regulations for the 1956 Crop of Peanuts (20 F R. 6033) issued pursuant to the marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301–1393), provides that any authority delegated to the State Agricultural Stabilization and Conservation Committee by the regulations may be redelegated by the State committee. In accordance with Section 3 (a) (1) of the Administrative Procedure Act (5 U. S. C. 1002 (a)) which requires delegations of final authority to be published in the FEDERAL REGISTER, there are set out herein the redelegations of final authority which have been made by the Georgia State Agricultural Stabilization and Conservation Committee of authority vested in such committee by the Secretary of Agriculture in the regulations referred to above. Shown below are the sections of the regulations in which such authority appears and the persons to whom the authority has been redelegated:

GEORGIA

Sections 729.717 (b) (5), 729.718 and 729.727—State Administrative Officer; Chief, Programs Division; and Chief, Audit and Statistical Division of the Office of the State ASC Committee.

Sections 729.719 (b), 729.720, 729.722 (a), and 729.728—State Administrative Officers; Chief, Programs Division; Chief, Audit and Statistical Division; and Farmer Fieldman of the Office of the State ASC Committee.

Sections 729.724 (b) (c) and 729.730—State Administrative Officer; Chief, Programs Division and Marketing Quota Specialist, of the Office of the State ASC Committee.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply secs. 301, 358, 359, 361–368, 372, 373, 374, 376, 388, 52 Stat. 38, 62, 63, 64, 65, 66, 68, as amended; 55 Stat. 88, as amended, 66 Stat. 27; 7 U. S. C. 1301, 1358, 1359, 1361–1368, 1372, 1373, 1374, 1376, 1388)

Issued at Washington, D. C., this 19th day of October 1955.

[SEAL] EARL M. HUGHES,
Administrator
Commodity Stabilization Service.

[F. R. Doc. 55–8587; Filed, Oct. 24, 1955; 8:49 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

BELLE FOURCHE PROJECT, SOUTH DAKOTA

ORDER OF REVOCATION

MARCH 25, 1955.

Pursuant to the authority delegated by Departmental Order No. 2765 of July 30, 1954 (19 F R. 5004) I hereby revoke Departmental Orders of July 18, August 31, 1903, and September 27, 1909, insofar as said orders affect the following described lands; provided, however, that such revocation shall not affect the withdrawal of any other lands by said orders or affect any other orders withdrawing or reserving the lands hereinafter described:

BLACK HILL MERIDIAN, SOUTH DAKOTA

T. 8 N., R. 6 E.,
Sec. 11, SE¼NE¼,
Sec. 12, W½NE¼NW¼.

The above areas aggregate 280 acres.

N. B. BENNETT,
Acting Assistant Commissioner

[Montana 015099 (SD)]

OCTOBER 19, 1955.

I concur. The records of the Bureau of Land Management will be noted accordingly.

The lands are included in allowed homestead entries, Pierre 022775 and 022876, and are therefore not subject to the provisions of the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279–284) as amended, granting preference rights to veterans of World War II, the Korean Conflict, and others.

EDWARD WOOZLEY,
Director
Bureau of Land Management.

[F. R. Doc. 55–8570; Filed, Oct. 24, 1955; 8:46 a. m.]

CIVIL AERONAUTICS BOARD

[Docket Nos. 5770, 6024]

NORTH CENTRAL—LAKE CENTRAL, ACQUISITION OF CONTROL AND INTERLOCKING DIRECTORATE PROCEEDING

NOTICE OF POSTPONEMENT OF HEARING

Notice is hereby given that hearing in the above-entitled proceeding is postponed from October 24, 1955, to November 8, 1955, at 10:00 a. m., e. s. t., in Room 1512, Temporary Building No. 4, Seventeenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Paul N. Pfeiffer.

Dated at Washington, D. C., October 18, 1955.

[SEAL] FRANCIS W BROWN,
Chief Examiner

[F R. Doc. 55–8555; Filed, Oct. 24, 1955; 8:45 a. m.]

[Docket No. 7278]

LINEAS AEREAS DE NICARAGUA, S. A. (LANICA)

NOTICE OF POSTPONEMENT OF HEARING

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that hearing in the above-entitled proceeding, now assigned for November 2, 1955, is postponed to November 21, 1955, 10:00 a. m., e. s. t., in Room E–206, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D. C., October 18, 1955.

[SEAL] FRANCIS W BROWN,
Chief Examiner

[F R. Doc. 55–8556; Filed, Oct. 24, 1955; 8:45 a. m.]

[Docket No. SA–311]

ACCIDENT ON MEDICINE BOW PEAK, WYOMING

INVESTIGATION AND HEARING

In the matter of investigation of accident involving aircraft of United States Registry N 30062, on Medicine Bow Peak, Wyoming, October 6, 1955.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Monday, November 7, 1955, at 9:30 a. m. (local time) in the Farmers' Union Building, Room 100, Corner of 16th and Sherman Streets, Denver, Colorado.

Dated at Washington, D. C., October 19, 1955.

[SEAL] VAN R. O'BRIEN,
Presiding Officer

[F R. Doc. 55–8607; Filed, Oct. 24, 1955; 8:53 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G–6483]

ARKLA OIL CO.

NOTICE OF APPLICATION AND DATE OF HEARING

OCTOBER 18, 1955.

Take notice that W G. Skelly, Gertrude Skelly, Joan Skelly Stuart and Carolyn Skelly Burford, doing business as Arkla Oil Company, Applicant, whose address is Rodessa, Louisiana, filed on November 29, 1954, an application for a

certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing Applicant to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant produces natural gas in the Rodessa Field, Miller County, Arkansas, and sells it in interstate commerce to the Arkansas-Louisiana Gas Company for resale. Applicant also purchases natural gas from other producers in the same field which is sold to the same company for the same purpose and in the same manner.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 21, 1955, at 9:40 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of section 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the Rules of Practice and Procedure (18 CFR 1.8 or 1.10) on or before November 10, 1955. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 55-8571; Filed, Oct. 24, 1955; 8:46 a. m.]

[Docket No. G-7342]

H. R. SMITH ET AL.

NOTICE OF APPLICATIONS AND DATE OF HEARING

OCTOBER 18, 1955.

In the matter of H. R. Smith, A. E. Bruggemann, Southwestern Oil & Refining Company, Columbus Export Corporation; Docket No. G-7342.

Take notice that H. R. Smith an individual whose address is Box 98, Alice, Texas, filed on behalf of the above-entitled applicants on January 3, 1955, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing Applicant to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicants propose to produce and sell natural gas from the La Jara Field in Hidalgo County, Texas, to Tennessee Gas Transmission Company (Tennessee) Tennessee will transport the gas commingled with its other gas supplies for sale in interstate commerce.

The initial rate for the sale of gas to Tennessee is 10 cents per Mcf.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 21, 1955, at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW. Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of section 1.30 (c) (1) or (2) of the Commission's Rules of Practice and Procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 6, 1955. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made. Under the procedure herein provided for, unless otherwise advised, it will not be necessary for Applicant to appear or to be represented at the hearing.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 55-8572; Filed, Oct. 24, 1955; 8:46 a. m.]

[Docket Nos. G-8770, etc.]

DOROTHY V. RICHIE ET AL.

NOTICE OF APPLICATIONS AND DATE OF HEARING

OCTOBER 18, 1955.

In the matters of Dorothy V. Richie, et al., Docket Nos. G-8770 and G-8775; W. H. Helmerich, III, et al., Docket No. G-8786; Mary Norvel Castro (Trustee) Docket No. G-8798; Dealmax Oil Company, Docket No. G-8800.

Take notice that the above-designated Applicants filed applications, docketed as above listed and as hereinafter tabulated, for certificates of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing each Applicant to render service as shown in the tabulation, subject to the jurisdiction of the Commission, all as more fully stated in the applications which are on file with the Commission and open for public inspection.

Applicants produce natural gas from the gas fields in certain locations as shown and sell it in interstate commerce to the purchasers named below.

Docket No.	Purchaser's name	Gas field	County and State
G-8770	Montana-Dakota Utilities Co.	Cedar Creek	Fallon, Mont.
		Antelope	Bowman, N. Dak.
G-8775		Cedar Creek	Fallon, Mont.
		Antelope	Bowman, N. Dak.
G-8786	Cities Service Gas Co.	Hugoton	Haskell, Kans.
G-8798	United Fuel Gas Co.	Crawley Creek	Logan, W. Va.
G-8800	Arkansas-Louisiana Gas Co.	Waskom	Harrison, Tex.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 17, 1955, at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of section 1.30 (c) (1) or (c) (2) of the Commission's rules of practice and procedure.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or to be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 7, 1955. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 55-8573; Filed, Oct. 24, 1955; 8:47 a. m.]

[Docket No. 8914]

J. M. HUBER CORP.

NOTICE OF APPLICATION AND DATE OF HEARING

OCTOBER 18, 1955.

Take notice that J. M. Huber Corporation (Applicant) a New Jersey corporation whose address is P O. Box 831, Borger, Texas, filed on May 16, 1955, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing Applicant to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant proposes to sell natural gas to be produced from the Lucky Field, Matagorda County, Texas, to Tennessee Gas Transmission Company (Tennessee) Tennessee will transport and sell the gas in interstate commerce. The proposed initial rate is 13.70018 cents per Mcf at 14.65 p. s. i. a.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 22, 1955, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of section 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 8, 1955. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made. Under the procedure, herein provided for, unless otherwise advised, it will not be necessary for Applicant to appear or to be represented at the hearing.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8574; Filed, Oct. 24, 1955; 8:47 a. m.]

[Docket No. G-9049 etc.]

SINCLAIR OIL AND GAS CO. ET AL.

NOTICE OF APPLICATIONS, CONSOLIDATION OF PROCEEDINGS, AND DATE OF HEARING

OCTOBER 18, 1955.

In the matters of Sinclair Oil and Gas Company, Docket No. G-9049; The Atlantic Refining Company, Docket No. G-9154; Transcontinental Gas Pipe Line Corporation, Docket No. G-9162.

Transcontinental Gas Pipe Line Corporation (hereinafter referred to as Transco) a Delaware corporation with its principal place of business at Houston, Texas, filed on July 21, 1955, its application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act authorizing it to construct and operate gas facilities as hereinafter described subject to the jurisdiction of the Commission, all as more fully represented in its application which is on file with the Commission and open for public inspection.

(1) To construct and operate approximately 1,600 feet of 4-inch pipeline.

(a) A meter station and appurtenant equipment from a point in Palmetto Field, St. Landry Parish, Louisiana, to Transco's main 30-inch pipeline.

The purpose of the above project is to make available to Transco's system an additional supply of gas at minimum expense and to provide a market for the gas from the Palmetto Field.

The Atlantic Refining Company has heretofore filed for a certificate of public convenience and necessity, such notice and date of hearing being issued on September 14, 1955 at (20 F R. 6758)

The Sinclair Oil and Gas Company (hereinafter referred to as Sinclair) a Maine corporation with its principal place of business at Tulsa, Oklahoma, filed on June 17, 1955, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing it to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in its application which is on file with the Commission and open for public inspection.

Sinclair proposes to produce natural gas from Palmetto Field, St. Landry Parish, Louisiana, which will be sold to Transco for transportation in interstate commerce for resale.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 17, 1955, at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of section 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D., C., in accordance with the Rules of Practice and Procedure (18 CFR 1.8 or 1.10) on or before November 2, 1955. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8575; Filed, Oct. 24, 1955; 8:47 a. m.]

[Docket Nos. G-9116, G-9117]

UNITED GAS PIPE LINE CO. AND TRANSCONTINENTAL GAS PIPE LINE CORP.

NOTICE OF APPLICATION AND DATE OF HEARING

OCTOBER 18, 1955.

Take notice that United Gas Pipe Line Company (United), and Transcontinental Gas Pipe Line Corporation (Transco), Applicants, both Delaware corporations and with their principal places of business at Shreveport, Louisiana, and Houston, Texas, respectively, filed on July 8, 1955, complimentary applications for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act authorizing them to construct and operate interconnecting facilities to provide for an exchange of natural gas on an interruptible basis between their already existing facilities during emergencies subject to the jurisdiction of the Commission all as more fully represented in their respective applications which are on file with the Commission and open for public inspection.

United proposes to construct and operate the necessary tap and metering facilities to connect with Transco's pipeline in Walthall County, Mississippi.

Transco proposes to construct 40 feet of 16-inch connecting pipeline at a point where Transco's 30-inch pipeline and United's 24-inch Baxterville lateral cross in Walthall County, Mississippi.

United states that the proposed facilities will have a delivery capacity of 304,000 Mcf per day at a pressure of 800 p. s. i. g. The tie-in will be located approximately 6.2 miles downstream from United's compressor station at the junction of its cross-country 30-inch mainline and its 24-inch Baxterville lateral and 4.4 miles downstream from Transco's compressor station number seven.

Transco indicates a pressure of about 800 p. s. i. g. and a delivery capacity of about 700,000 Mcf per day at its compressor station.

United's proposed rate schedule X-6 and Transco's proposed rate schedule X-14 comprise a contract, dated June 1, 1955, covering the proposed exchange of gas. It provides that the amount of gas exchanged will be such quantity as may be agreed upon at the time of emergency and specifies that the exchange of gas shall not result in curtailment of deliveries to the regular markets of the party supplying gas.

The contract also provides for a return in kind within 90 days by the party receiving the gas.

Operating and maintenance cost of the metering facilities will be equally

divided between the Applicants. Term of the contract is one year.

No additional markets beyond those previously certificated by the Commission are to be served by either Applicant. No additional gas supply is involved herein.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's Rules of Practice and Procedure, a hearing will be held on November 18, 1955, at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of section 1.30 (c) (1) or (2) of the Commission's Rules of Practice and Procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 3, 1955. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8576; Filed, Oct. 24, 1955; 8:47 a. m.]

[Docket No. G-9234]

NORTEX OIL & GAS CORP.

NOTICE OF APPLICATION AND DATE OF HEARING

OCTOBER 18, 1955.

Take notice that Nortex Oil & Gas Corp. (Applicant) a Delaware corporation whose address is Fidelity Union Life Building, Dallas, Texas, filed on August 16, 1955, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing Applicant to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant proposes to sell natural gas to be produced from the Carroll Unit, Logansport Area, Desoto Parish, Louisiana, to Southern Natural Gas Company (Southern) Southern will transport and sell the gas commingled with its other supplies in interstate commerce. The initial rate proposed is 12.82 cents per Mcf at 15.025 p. s. i. a.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on November 23, 1955, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of section 1.30 (c) (1) or (20) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 9, 1955. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made. Under the procedure herein provided for, unless otherwise advised, it will be necessary for Applicant to appear or to be represented at the hearing.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8577; Filed, Oct. 24, 1955, 8:47 a. m.]

[Docket No. G-9476]

TEXAS GULF PRODUCING CO. ET AL.

ORDER SUSPENDING PROPOSED CHANGES IN RATES

Texas Gulf Producing Company, et al. (Applicant), on September 19, 1955, tendered for filing proposed changes in presently effective rate schedule for sales subject to the jurisdiction of the Commission. The proposed change, which constitutes increased rates and charges, is contained in the following designated filing which is proposed to become effective on the date shown:

Description	Purchaser	Rate schedule designation	Effective date[1]
Notice of change, indicated	United Fuel Gas Co.	Supplement No. 2 to Applicants FPC Gas Rate Schedule No. 10.	Nov. 1, 1955

[1] The stated effective date is the first day after expiration of the required 30 days' notice, or the effective date proposed by Applicant if later.

The increased rates and charges proposed in the aforesaid filing have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations (18 CFR Chapter I) a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of said proposed changes in rates and charges; and, pending such hearing and decision thereon, the above-designated supplement be and the same hereby is suspended and the use thereof deferred until April 1, 1956, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Interested State commissions may participate as provided by sections 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Adopted: October 12, 1955.

Issued: October 18, 1955.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8578; Filed, Oct. 24, 1955; 8:47 a. m.]

[Docket No. G-9493]

SHAMROCK OIL AND GAS CORP.

ORDER SUSPENDING PROPOSED CHANGES IN RATES

The Shamrock Oil and Gas Corporation (Applicant) on September 20, 1955, tendered for filing proposed change in presently effective rate schedule for sales subject to the jurisdiction of the Commission. The proposed change, which constitutes increased rates and charges, are contained in the following designated filing which is proposed to become effective on the date shown:

Description	Purchaser	Rate schedule designation	Effective date[1]
Notice of change, undated	Northern Natural Gas Co.	Supplement No. 3 to Applicant's FPC Gas Rate Schedule No. 3.	Dec. 1, 1955

[1] The stated effective date is the first day after expiration of the required 30 days' notice, or the effective date proposed by Applicant if later.

The increased rates and charges proposed in the aforesaid filing have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations (18 CFR, Chapter I) a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of said proposed changes in rates and charges; and, pending such hearing and decision thereon, the above-designated supplement be and the same hereby is suspended and the use thereof deferred until May 1, 1956, until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Interested State commissions may participate as provided by sections 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Adopted: October 12, 1955.

Issued: October 18, 1955.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8579; Filed, Oct. 24, 1955; 8:48 a. m.]

[Docket Nos. G-1705, etc.]

PANHANDLE EASTERN PIPE LINE CO. ET AL

NOTICE OF ORDER GRANTING AND DENYING IN PART APPLICATIONS FOR TEMPORARY CERTIFICATE

OCTOBER 19, 1955.

In the matters of Panhandle Eastern Pipe Line Company, Docket Nos. G-1705, G-1937, G-2433, G-2475 and G-8665; Missouri Public Service Company, Docket No. G-2057; City of Montgomery, Missouri, Docket No. G-2932; Town Gas Company of Illinois, Docket No. G-3159; Missouri Central National Gas Company, Docket No. G-4611, Village of Westville, Illinois, Docket No. G-4666; Village of Pleasant Hill, Illinois, Docket No. G-4940; City of Waverly, Illinois, Docket No. G-5139; Village of Rossville, Illinois, Docket No. G-5979; Central Illinois Electric & Gas Company, Docket No. G-8428; City of Winchester, Illinois, Docket No. G-8431, Village of Franklin, Illinois, Docket No. G-8471, City of Hickman, Kentucky, Docket No. G-8526; Trunkline Gas Company, Docket No. G-8664; City of McLeansboro, Illinois, Docket No. G-8676; City of Vienna, Illinois, Docket No. G-8677; City of Clinton, Kentucky, Docket No. G-8771, City of LaCenter, Kentucky, Docket No. G-8888; City of Bardwell, Kentucky, Docket No. G-8939; City of Wickliffe, Kentucky, Docket No. G-8962; Lake County Utility District, Docket No. G-8963.

Notice is hereby given that on October 5, 1955, the Federal Power Commission issued its order adopted October 5, 1955, granting in part and denying in part applications for temporary certificate in the above-entitled matters.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8590; Filed, Oct. 24, 1955; 8:50 a. m.]

[Docket No. G-9499]

STANOLIND OIL AND GAS CO.

ORDER SUSPENDING PROPOSED CHANGES IN RATES

Stanolind Oil and Gas Company (Applicant) on September 23, 1955, tendered for filing proposed changes in presently effective rate schedules for sales subject to the jurisdiction of the Commission. The proposed changes, which constitute increased rates and charges, are contained in the following designated filing which is proposed to become effective on the date shown:

Description	Purchaser	Rate schedule designation	Effective date [1]
Notice of change, dated Sept. 21, 1955.	Mississippi River Fuel Corp.	Supplement No. 3 to Applicant's FPC Gas Rate Schedule No. 27.	Oct. 20, 1955

[1] The stated effective date is the first day after expiration of the required 30 days' notice, or the effective date proposed by Applicant if later.

The increased rates and charges proposed in the aforesaid filing have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed changes, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations (18 CFR Chapter I) a public hearing be held upon the date to be fixed by notice from the Secretary concerning the lawfulness of said proposed changes in rates and charges; and, pending such hearing and decision thereon, the above-designated supplement be and the same hereby is suspended and the use thereof deferred until March 26, 1956, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Interested State commissions may participate as provided by sections 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Adopted: October 12, 1955.

Issued: October 18, 1955.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8580; Filed, Oct. 24, 1955; 8:48 a. m.]

[Docket No. G-9500]

STANOLIND OIL AND GAS CO.

ORDER SUSPENDING PROPOSED CHANGES IN RATES

Stanolind Oil and Gas Company (Applicant) on September 23, 1955, tendered for filing proposed change in presently effective rate schedule for sales subject to the jurisdiction of the Commission. The proposed change, which constitutes increased rates and charges, is contained in the following designated filing which is proposed to become effective on the date shown:

Description	Purchaser	Rate schedule designation	Effective date [1]
Notice of change, dated Sept. 21, 1955.	United Fuel Gas Co.....	Supplement No. 4 to Applicant's FPC Gas Rate Schedule No. 78.	Nov. 1, 1955

[1] The stated effective date is the first day after expiration of the required 30 days' notice, or the effective date proposed by Applicant if later.

The increased rates and charges proposed in the aforesaid filing have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations (18 CFR Chapter I) a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of said proposed change in rates and charges; and, pending such hearing and decision thereon, the above-designated supplement be and the same hereby is suspended and the use thereof deferred until April 1, 1956, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Interested State commissions may participate as provided by sections 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Adopted: October 12, 1955.

Issued: October 18, 1955.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8581; Filed, Oct. 24, 1955; 8:48 a. m.]

[Docket No. G-9501]

STANOLIND OIL AND GAS CO.

ORDER SUSPENDING PROPOSED CHANGES IN RATES

Stanolind Oil and Gas Company (Applicant) on September 23, 1955, tendered for filing proposed changes in presently effective rate schedules for sales subject to the jurisdiction of the Commission. The proposed changes, which constitute increased rates and charges, are contained in the following designated filing which are proposed to become effective on the date shown:

Description	Purchaser	Rate schedule designation	Effective date[1]
Notice of change, dated Sept. 21, 1955.	Texas Eastern Transmission Corp.	Supplement No. 4 to Applicant's FPC Gas Rate Schedule No. 32.	Nov. 1, 1955

[1] The stated effective date is the first day after expiration of the required 30 days' notice, or the effective date proposed by Applicant if later.

The increased rates and charges proposed in the aforesaid filing have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed changes, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations (18 CFR Chapter I) a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of said proposed changes in rates and charges; and, pending such hearing and decision thereon, the above-designated supplement be and the same hereby is suspended and the use thereof deferred until April 1, 1956, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Interested State commissions may participate as provided by sections 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Adopted: October 12, 1955.

Issued: October 18, 1955.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8582; Filed, Oct. 24, 1955; 8:48 a. m.]

[Docket No. G-9502]

STANOLIND OIL AND GAS CO.

ORDER SUSPENDING PROPOSED CHANGES IN RATES

Stanolind Oil and Gas Company (Applicant) on September 23, 1955, tendered for filing proposed changes in presently effective rate schedules for sales subject to the jurisdiction of the Commission. The proposed changes, which constitute increased rates and charges, are contained in the following designated filing which is proposed to become effective on the date shown:

Description	Purchaser	Rate schedule designation	Effective date[1]
Notice of change, dated Sept. 21, 1955.	Hassie Hunt Trust	Supplement No. 7 to Applicant's FPC Gas Rate Schedule No. 29.	Nov. 1, 1955

[1] The stated effective date is the first day after expiration of the required 30 days' notice, or the effective date proposed by Applicant if later.

The increased rates and charges proposed in the aforesaid filing have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed changes, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations (18 CFR Chapter I) a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of said proposed changes in rates and charges; and, pending such hearing and decision thereon, the above-designated supplement be and the same hereby is suspended and the use thereof deferred until April 1, 1956, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Interested State commissions may participate as provided by sections 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Adopted: October 12, 1955.

Issued: October 18, 1955.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8583; Filed, Oct. 24, 1955; 8:48 a. m.]

[Docket No. G-2481]

HARMON & BURGESS GAS CO. ET AL.

NOTICE OF FINDINGS AND ORDERS

OCTOBER 19, 1955.

In the matters of Harmon & Burgess Gas Company, Docket No. G-2841, George H. Davis, Docket No. G-3194; H. J. Chavanne, Trustee, et al., Docket No. G-6309; Edwin L. Cox, Docket No. G-7232; C. P. Burton, Docket No. G-4006; Clark Gas Company, Docket No. G-7252; K. & E. Drilling, Inc., et al., Docket No. G-8985; Rowland Oil Company, Docket No. G-9118.

Notice is hereby given that on October 11, 1955, the Federal Power Commission issued its findings and orders adopted October 5, 1955, issuing certificates of public convenience and necessity in the above-entitled matters.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 55-8591; Filed, Oct. 24, 1955; 8:50 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3416]

SOUTHERN CO. ET AL.

ORDER AUTHORIZING ISSUANCE AND SALE OF ADDITIONAL COMMON STOCK BY HOLDING COMPANY PURSUANT TO UNDERWRITTEN RIGHTS OFFERING, AND ISSUANCE AND SALE OF ADDITIONAL COMMON STOCK BY SUBSIDIARIES AND ACQUISITION THEREOF BY HOLDING COMPANY

OCTOBER 19, 1955.

The Southern Company ("Southern"), a registered holding company, and its public-utility subsidiaries Alabama Power Company ("Alabama") and Georgia Power Company ("Georgia") have filed a joint application-declaration and amendments thereto pursuant to sections 6 (a), 6 (b) 7, 9 (a), 10, 12 (c), and 12 (f) of the Public Utility Holding Company Act of 1935 ("act") and Rules U-42, U-43, and U-50 thereunder, regarding the following proposed transactions:

STOCK ISSUE BY SOUTHERN AND APPLICATION OF PROCEEDS

Southern proposes to issue 1,507,303 additional shares of its authorized but unissued common stock (par value $5

per share), and to offer to the holders of its outstanding common stock the right to subscribe for such shares on the basis of 1 share of the additional stock for each 12 shares of common stock held on the record date. Rights to subscribe will be evidenced by transferable registered subscription warrants and the subscription offer will be open for approximately three weeks. No fractional shares will be issued. Southern will provide facilities through the subscription agent so that rights (not exceeding 11) may be sold or additional rights (not to exceed 11) may be purchased to enable the warrant holder to subscribe to a whole number of shares.

The offer of the additional common stock will be underwritten. Southern proposes to invite bids, pursuant to Rule U-50, such invitation to request prospective underwriters to name the amount of compensation to be paid by Southern to such underwriters for their services and agreement to purchase any shares not subscribed for as a result of the offering to stockholders, and also to purchase shares acquired by Southern, if any, in connection with its stabilizing activities referred to below.

The subscription price per share at which Southern proposes to offer the additional common stock to its common stockholders and to underwriters will be determined by the company. Prospective underwriters who have qualified to bid will be notified of the price per share as so determined by the company at least 20 hours prior to the time for the submission of bids. Such price will not be more than the last reported sale price on the New York Stock Exchange prior to the fixing thereof and not less than such last reported sale price less 15 percent.

Southern proposes, if it considers it necessary or desirable, to effect transactions which will stabilize or maintain the market price of its common stock for the purpose of facilitating the offering and distribution of the additional common stock. In connection therewith, the company may, during the period commencing with the first business day prior to the date when the price per share is to be determined by the company and continuing until the acceptance of a bid from underwriters, purchase shares of common stock of the company (but not in excess of 150,730 shares) on the New York Stock Exchange or otherwise, such purchases to be made through brokers with the payment of regular stock exchange commissions.

The proposed purchase contract will provide that the underwriters will agree that, in case any shares of additional common stock purchased by them thereunder shall be sold by the underwriters prior to the expiration of 30 days following the expiration of the subscription period for a price in excess of the subscription price plus $0.75 per share (the excess to be computed before the deduction of any expenses, selling commissions or concessions) the underwriters shall pay to Southern, in addition to the purchase price for shares purchased by them, a sum equal to 50 percent of such excess; such additional payment, if any, to be made by the underwriters to the company as promptly as practicable after the expiration of such 30 days.

Southern proposes to apply the proceeds from the sale of the additional common stock to the payment at or prior to maturity, February 1, 1956, of the outstanding $15,000,000 principal amount of the company's 3½ percent notes payable to banks and the balance of said proceeds, together with treasury funds to the extent required up to approximately $3,500,000, to the purchase at $100 per share (so far as such funds will extend and, as between the subsidiaries hereafter referred to, in the approximate proportion of the maximum numbers of shares to be purchased) up to 55,000 additional shares of common stock of Alabama and up to 85,000 additional shares of common stock of Georgia.

Southern's expenses other than underwriting discounts or commissions, are estimated as follows:

Federal original issue tax	$15,000
Filing fee, this Commission	3,316
Listing on New York Stock Exchange	3,750
Charges of transfer agent and registrar	60,000
Charges of warrant agent (being the lowest of 3 competitive bids)	119,500
Cost of stock certificates and warrants	8,000
Blue Sky expense	1,000
Mailing expense	20,000
Printing and preparing registration statement, prospectus, bidding papers, etc	80,000
Fee of counsel	12,500
Fees of accountans	20,000
Services of Southern Services, Inc. (mutual service company)	8,000
Miscellaneous (telephone, travel, etc.)	9,000
Total estimated expenses of Southern	360,066

The above estimate does not include the fee of counsel for the underwriters, estimated at $7,500, which will be paid by the successful bidder.

STOCK ISSUES BY ALABAMA AND GEORGIA AND APPLICATION OF PROCEEDS

Alabama and Georgia propose to issue up to an additional 55,000 shares and 85,000 shares, respectively, of their authorized but unissued common stock without par value; to sell such shares to Southern for an aggregate consideration of $5,500,000 in the case of Alabama and of $8,500,000 in the case of Georgia, and to use the proceeds from such sales to provide a portion of the funds required to finance improvements, extensions and additions to their respective utility plants.

Expenditures during 1955 and 1956 for the construction or acquisition of property additions are estimated at $71,790,000 in the case of Alabama and $65,200,000 in the case of Georgia. Such additions have been financed in part by the sale during the second quarter of 1955 or $15,000,000 principal amount of bonds by Alabama and $12,000,000 principal amount of bonds by Georgia. It is estimated that in 1956 Alabama and Georgia will be required to raise, respectively, $17,000,000 and $10,500,000 by the sale of additional securities.

Fees and expenses to be paid by Alabama and Georgia other than Federal issuance taxes and other charges fixed by law will be nominal in amount.

The issuance and sale of the additional shares by Alabama have been approved by the Alabama Public Service Commission, the regulatory commission of the State in which Alabama is organized and doing business; and the issuance and sale of the additional shares by Georgia have been approved by the Georgia Public Service Commission, the regulatory commission of the State in which Georgia is organized and doing business.

Due notice having been given of the filing of said application-declaration, and a hearing not having been requested of or ordered by the Commission; and the Commission finding with respect to the transactions described herein that the applicable provisions of the Act and the Rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that the application-declaration as amended be granted and permitted to become effective forthwith, subject to the conditions below set out:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the Act, that the application-declaration as amended be, and it hereby is, granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-50 and Rule U-24.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F R. Doc. 55-8597; Filed, Oct. 24, 1955; 8:51 a. m.]

[File No. 70-3414]

NEW ENGLAND ELECTRIC SYSTEM AND QUINCY ELECTRIC CO.

ORDER AUTHORIZING ISSUANCE AND SALE OF COMMON STOCK BY SUBSIDIARY AND ACQUISITION THEREOF BY PARENT

OCTOBER 19, 1955.

New England Electric System ("NEES") a registered holding company, and its public-utility subsidiary Quincy Electric Company ("Quincy") have filed a joint application and an amendment thereto pursuant to sections 6 (b) 9 (a) and 10 of the Public Utility Holding Company Act of 1935 ("act") regarding the following proposed transactions:

Quincy, which now has outstanding 38,226 shares of capital stock (par value $25 per share), proposes to issue and sell for cash 13,000 additional shares at the price of $75 a share, as fixed by its directors, or a total cash consideration of $975,000. Nees, the sole stockholder of Quincy, proposes to acquire the additional shares, and in payment therefor to use available treasury funds. The proceeds from the sale of the additional shares will be applied by Quincy to the

payment of a like amount of notes payable to NEES.

Quincy and NEES desire to consummate the transactions in order to finance permanently a portion of the capitalizable additions to Quincy's plant through the issuance of equity securities.

The issuance and sale of the additional shares by Quincy have been approved by the Department of Public Utilities of Massachusetts, in which State the company is organized and doing business.

Due notice having been given of the filing of said application, and a hearing not having been requested of or ordered by the Commission; and the Commission finding with respect to the proposed transactions that the applicable provisions of the Act are satisfied and that no adverse findings are necessary and deeming it appropriate in the public interest and in the interest of investors and consumers that the amended application be granted, effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the Act, that said application as amended be, and it hereby is, granted, effective forthwith, subject to the conditions prescribed in Rule U-24.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F. R. Doc. 55-8598; Filed, Oct. 24, 1955; 8:52 a. m.]

[File No. 811-485]

ULEN MANAGEMENT CO.

NOTICE OF FILING OF APPLICATION FOR ORDER DECLARING THAT COMPANY HAS CEASED TO BE AN INVESTMENT COMPANY

OCTOBER 19, 1955.

Notice is hereby given that Ulen Management Company ("Ulen") registered under the Investment Company Act of 1940 ("act") as a closed-end non-diversified management investment company, has filed an amended application under section 8 (f) of the act for an order declaring that Ulen Management Company has ceased to be an investment company under the act.

The application makes the following representations:

Ulen is a Delaware corporation and its stock is listed on the American Stock Exchange. It was organized in 1941 under the name of Ulen Realization Corporation ("Ulen Realization") for the express purpose of liquidating the assets of its predecessor, Ulen & Company. The assets turned over to Ulen Realization were comprised primarily of various bonds and stocks, advances, claims, and miscellaneous assets amounting to approximately $900,000 as of December 31, 1941, after giving effect to certain reserves for revaluation of investments. The corporate existence of Ulen Realization was limited to 10 years subject to five-year renewal periods upon majority vote of stockholders. Ulen Realization registered under the act on November 30, 1943.

By order dated April 18, 1944 (Investment Company Act Release No. 649), Ulen Realization was exempted from: (1) Section 8 (b) of the act except for the filing of policy items contained in Form N-8B-1, (2) section 30 (b) (1) and Rule N-30B-1, and (3) section 30 (d) and Rule N-30D-1 to the extent that only annual reports to stockholders were required.

By early 1955, Ulen Realization had liquidated substantially all of the assets received from its predecessor, with the principal exception of $7,519,000 principal amount of National Economic Bank of Poland 8 percent Sinking Fund Bonds, a 50 percent ownership of the outstanding capital stock of Athens Water Company (Societe Anonyme Hellenique des Eaux), and Ulen Management Company, then a wholly owned subsidiary. For the fiscal year ended October 31, 1954, the gross revenues of Ulen Realization amounted to approximately $60,000, represented principally by $23,000 of fees from the Greek water company and dividends of $35,000 from its subsidiary, Ulen Management Company.

In early 1955 the Board of Directors of Ulen Realization determined that the sale of its remaining assets would not be in the best interests of its stockholders and submitted a proposal to convert Ulen Realization from a liquidating corporation and investment company, with restricted charter powers and a limited existence, into an industrial corporation of unlimited duration and broad charter powers. This conversion was to be effected through the merger of Ulen Realization and Ulen Management Company, with the surviving company adopting the name of Ulen Management Company. The merger was chosen as the means of effecting the conversion in order to give all stockholders a right of appraisal under Delaware law.

At a meeting of stockholders held on April 7, 1955, such merger was duly approved by the holders of more than two-thirds of the outstanding capital stock, and the merger became effective. No stockholder exercised his statutory right of appraisal. At such meeting, the holders of more than a majority of the outstanding capital stock also approved (a) the change of the nature of Ulen's business from an investment company to an industrial corporation (b) adoption of revised policies under the Act to give effect to its intention to become an industrial company and ceasing to be an investment company, and (c) the filing of the instant application.

As the first step in implementing and carrying out the policy approved by the stockholders to become an industrial corporation, the management of Ulen entered into a purchase agreement on September 21, 1955, for the purchase of the outstanding capital stock and $600,000 outstanding principal amount of 4 percent notes of Acorn Paint & Chemical Company from Sutro Bros. & Co. and Merkin & Co. in exchange for $1,000,000 principal amount of Ulen's 5 percent Convertible Debentures due November 1, 1970. One of the directors of Ulen is a partner of Sutro Bros & Co. and another director is a partner of Merkin & Co. Sutro Bros & Co. and Merkin & Co. purchased such stock and notes on June 24, 1955, in connection with the organization of Acorn at a price of $1,000,000 in cash. Acorn, a successor to Acorn Refining Company, which dissolved on June 30, 1955, after the purchase of its stock by Acorn, is engaged in the manufacture of paints and allied products in its plant in Cleveland, Ohio and the distribution and sale thereof on a national basis.

Upon the completion of the purchase agreement it is intended that the officers and directors of Ulen will be elected to substantially the same positions with Acorn and will constitute the officers and directors of Acorn. Ulen, it is represented, will participate directly in the conduct of the business of Acorn and will supervise and direct such business in all its phases.

The application states that Ulen was required to register as an investment company only by virtue of the provisions of section 3 (a) (3) of the act which provides, in pertinent part, that an investment company means any issuer which is engaged in the business of owning, holding, and owns investment securities having a value exceeding 40 percent of the value of such issuer's total assets (exclusive of Government securities and cash items) on an unconsolidated basis. Investment securities includes all securities except (A) Government securities, (B) securities issued by employees' securities companies, and (C) securities issued by majority-owned subsidiaries of the owner which are not investment companies.

The application states that Ulen's present portfolio of securities consists of the $7,519,000 principal amount of Polish Bank Bonds, 1,250 shares of Athens Water Company stock (representing 50 percent of outstanding voting securities), and $20,000 principal amount of Hellenic Republic External Water Works 4 percent Loan due April 1, 1985, now in default. It is represented that there are no readily available market quotations for such securities and that the board of directors of Ulen has determined their fair value to be $280,029 for the Polish Bank Bonds, $357,500 for the stock of Athens Water Company Stock and $4,850 for the Hellenic Republic External Water Works 4 percent Loan. As defined in section 3 (a) (3) of the act, Ulen's investment securities are comprised of the Polish Bank Bonds and the Hellenic Republic External Water Works Loan and the value thereof is $284,879. Such investment securities represent approximately 38.3 percent of Ulen's total assets exclusive of Government securities and cash items on an unconsolidated basis. The application further states that therefore Ulen no longer comes within the provisions of section 3 (a) (3) of the act, since it does not have investment securities which represent 40 percent or more of its total assets. Accordingly, applicant requests an order under section 8 (f) declaring that it has ceased to be an investment company.

Section 8 (f) of the act provides, in part, that whenever the Commission upon application finds that a registered

investment company has ceased to be an investment company, it shall so declare by order and upon the taking effect of such order, the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than November 2, 1955, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the Rules and Regulations promulgated under the act.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 55-8599; Filed, Oct. 24, 1955; 8:52 a. m.]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Area 71]

NEW YORK

DECLARATION OF DISASTER AREA

Whereas it has been reported that beginning on or about October 15, 1955, because of the disastrous effects of flood, damage resulted to residences and business property located in certain areas in the State of New York; and

Whereas the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected; and

Whereas after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act of 1953, as amended;

Now, therefore, as Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 207 (b) (1) of the Small Business Act of 1953, as amended, may be received and considered by the Office below indicated from persons or firms whose property situated in the following counties (including any areas adjacent to the counties below named) suffered damage or other destruction as a result of the catastrophe above referred to:

Counties of: Sullivan, Orange, Ulster, Dutchess, Rockland, Columbia, Schoharie, Westchester, Putnam.

Small Business Administration Regional Office, 1790 Broadway, New York 19, New York.

2. Special field offices to receive such applications will not be established at this time.

3. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to April 30, 1956.

Dated: October 18, 1955.

WENDELL B. BARNES,
Administrator

[F. R. Doc. 55-8640; Filed, Oct. 21, 1955; 4:36 p. m.]

[Declaration of Disaster Area 72]

MASSACHUSETTS

DECLARATION OF DISASTER AREA

Whereas it has been reported that beginning on or about October 15, 1955, because of the disastrous effects of flood, damage resulted to residences and property located in certain areas in the State of Massachussetts; and

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected; and

Whereas after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act of 1953, as amended;

Now, therefore, as Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 207 (b) (1) of the Small Business Act of 1953, as amended, may be received and considered by the Offices below indicated from persons or firms whose property situated in the following counties (including any areas adjacent to the counties below named) suffered damage or other destruction as a result of the catastrophe above referred to:

Counties of: Franklin, Hampshire, Hampden, Suffolk.

Small Business Administration Regional Office, Suite 900, 131 State Street, Boston, Massachusetts.

2. Special field offices to receive such applications have been established at Post Office Building, Springfield, Massachusetts; Civic Auditorium, Worcester, Massachusetts; and Town Hall, Webster, Massachusetts.

3. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to April 30, 1956.

Dated: October 17, 1955.

WENDELL B. BARNES,
Administrator

[F. R. Doc. 55-8641; Filed, Oct. 21, 1955; 4:36 p. m.]

[Declaration of Disaster Area 73]

CONNECTICUT

DECLARATION OF DISASTER AREA

Whereas it has been reported that beginning on or about October 15, 1955, because of the disastrous effects of flood, damage resulted to residences and business property located in certain areas in the State of Connecticut;

Whereas the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected; and

Whereas after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act of 1953, as amended;

Now, therefore, as Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 207 (b) (1) of the Small Business Act of 1953, as amended, may be received and considered by the Offices below indicated from persons or firms whose property situated in the State of Connecticut suffered damage or other destruction as a result of the catastrophe above referred to:

Small Business Administration Regional Office, 1790 Broadway, New York 19, New York.

Small Business Administration Branch Office, 70 Arch Street, Hartford, Connecticut.

2. Special field offices to receive and process such applications have been established at 28 Front Street, Putnam, Connecticut; South Main at Taylor Street, Torrington, Connecticut; 7 Field Street, Waterbury Connecticut; 33 Union Street, Winsted, Connecticut; and City Hall, Ansonia, Connecticut. Additional field offices will be established in Norwalk, Danbury and Stamford, Connecticut.

3. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to April 30, 1956.

Dated. October 18, 1955.

WENDELL B. BARNES,
Administrator

[F R. Doc. 55-8642; Filed, Oct. 21, 1955; 4:36 p. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

S. R. L. DUNOD

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

S. R. L. Dunod, Editeur, 92, rue Bonaparte, Paris 6, France, Claim No. 38695; $116.39 in the Treasury of the United States.

All right, title, interest and claim of whatsoever kind or nature in and to every copyright, claim of copyright and right to copyright, license, agreement, privilege, power and right of whatsoever nature, including but not limited to all monies and amounts by way of royalty, share of profits or other emolument, and all causes of action, accrued or to accrue, relating to the works entitled

L'Enfant de la Victoire, by Francis Duhouceau, Les Applications Pratiques de la Luminescence Fluorescence, Phosphorescence, Lumiere Noire, by Maurice Deribere and La Filtration Industrielle, by Georges Genin, as listed in Exhibits A to the Vesting Orders Nos. 3430 (9 F. R. 6464, June 13, 1944); 500A-31 (9 F. R. 9432, August 3, 1944) and 500A-63 (9 F. R. 8312, July 20, 1944), respectively, to the extent owned by S. R. L. Dunod, Editeur, immediately prior to the vesting thereof by the aforementioned vesting orders.

Executed at Washington, D. C., on October 17, 1955.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 55-8601; Filed, Oct. 24, 1955; 8:53 a. m.]

LUDVIG FREDERIK ANDERSEN

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Ludvig Frederik Andersen, Copenhagen, Denmark, Claim No. 37132; property described in Vesting Order No. 290 (7 F. R. 9833, November 26, 1942), relating to Patent Application Ser. No. 330,072 (now U. S. Letters Patent No. 2,313,569).

Executed at Washington, D. C., on October 18, 1955.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 55-8602; Filed, Oct. 24, 1955; 8:53 a. m.]

SOCIETY FRANCAISE RADIO-ELECTRIQUE

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Societe Francaise, Radio-Electrique, Paris, France, Claim No. 40465; Vesting Orders Nos. 293, 666, and 2131; property described in Vesting Order No. 293 (7 F. R. 9836, November 26, 1942) relating to United States Patent Application Serial Nos. 342,318 (now Patent No. 2,344,431) and 344,647 (now Patent No. 2,347,584) and property described in Vesting Order No. 666 (8 F. R. 5047, April 17, 1943) relating to United States Letters Patent Nos. 1,838,743; 1,843,445; 1,692,383; 1,932,025; 2,049,154; 2,066,513; 2,068,655; and 2,110,160 and property described in Vesting Order No. 2131 (8 F. R. 13858, October 9, 1943) relating to United States Letters Patent Nos. 1,783,350; 1,809,621; 1,854,294; 1,882,634; 1,897,294; and 1,917,426.

Executed at Washington, D. C., on October 18, 1955.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 55-8603; Filed, Oct. 24, 1955; 8:53 a. m.]

ENRICA LEVI, NEE BASEVI, AND GABRIELLA ZAMORANI, NEE BASEVI

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimants, Claim Nos., Property, and Location

Enrica Levi, nee Basevi, Rapallo, Genoa, Italy, Gabriella Zamorani, nee Basevi, Rome, Italy, Claim No. 39677, Vesting Order No. 2785; $264.35 in the Treasury of the United States; one-half thereof to each claimant.

Executed at Washington, D. C., on October 18, 1955.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 55-8604; Filed, Oct. 24, 1955; 8:53 a. m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

OCTOBER 20, 1955.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the General Rules of Practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 31215: *Fly ash from, to, and between points in the Southwest.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on fly ash, in covered hopper cars, as more fully described in the application, between (a) points in southwestern territory; (b) points in southwestern territory, on one hand, and points in Illinois and western trunk-line territories, on the other; (c) points in western trunk-line territory; and (d) points in western trunk-line territory, on one hand, and points in Illinois territory, on the other.

Grounds for relief: Short-line distance formula and circuity.

Tariff: Supplement 7 to Agent Kratzmeir's I. C. C. 4171, Supplement 5 to Agent Prueter's I. C. C. A-4106.

FSA No. 31216: *Acetic acid—Kingport, Tenn., to Calvert, Ky.* Filed by R. E. Boyle, Jr., Agent, for interested rail carriers. Rates on acetic acid, carloads from Kingsport, Tenn., to Calvert, Ky.

Grounds for relief. Circuitous routes.

Tariff: Supplement 244 to Agent Spaninger's I. C. C. 1062.

FSA No. 31217: *Zircon ore—Winter Beach, Fla., to Louisville, Ky., and St. Louis, Mo.* Filed by R. E. Boyle, Jr., Agent, for interested rail carriers. Rates on zircon ore, carloads from Winter Beach, Fla., to Louisville, Ky., and St. Louis, Mo.

Grounds for relief. Short-line distance formula and circuity.

Tariff: Supplement 81 to Agent Spaninger's I. C. C. 1346.

FSA No. 31218: *Ilmenite ore—Winter Beach, Fla., to Official territory.* Filed by R. E. Boyle, Jr., Agent, for interested rail carriers. Rates on ilmenite ore concentrates, carloads from Winter Beach, Fla., to specified points in official territory.

Grounds for relief: Short-line distance formula and circuity.

Tariff: Supplement 81 to Agent Spaninger's I. C. C. 1346.

FSA No. 31219: *Merchandise—Mobile, Ala., to St. Louis, Mo., Group.* Filed by R. E. Boyle, Jr., Agent, for interested rail carriers. Rates on commodities various, in mixed carloads from Mobile, Ala., to St. Louis, Mo., and East St. Louis, Ill.

Grounds for relief: Short-line distance formula, and circuity.

Tariff: Supplement 19 to Agent Spaninger's I. C. C. 1456.

FSA No. 21220: *Less carload class and volume class rates in Missouri.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on commodities various, on which less carload and volume class rates are applied, between points in Missouri.

Grounds for relief: Intrastate competition and circuity.

Tariff: Supplement 63 to Agent Kratzmeir's I. C. C. 3627.

By the Commission.

[SEAL] HAROLD D. McCOY,
Secretary.

[F. R. Doc. 55-8593; Filed, Oct. 24, 1955; 8:50 a. m.]

[Rev. S. O. 562, Taylor's I. C. C. Order 62]

FERNWOOD, COLUMBIA AND GULF RAILROAD CO.

DIVERSION AND REROUTING OF TRAFFIC

In the opinion of Charles W. Taylor, Agent, the Fernwood, Columbia and Gulf Railroad Company due to bridge burned out between West Columbia and Tylertown, Mississippi, is unable to transport

traffic routed over its line between these points.

It is ordered, That:

(a) Rerouting traffic: The Fernwood, Columbia & Gulf Railroad Company, and its connections, is hereby authorized to reroute or divert traffic moving over its line between West Columbia and Tylertown, Mississippi, due to bridge burned out, over any available route to expedite the movement. The billing covering all such cars rerouted shall carry a reference to this order as authority for the rerouting.

(b) Concurrence of receiving roads to be obtained: The railroad desiring to divert or reroute traffic under this order shall confer with the proper transportation officer of the railroad or railroads to which such traffic is to be diverted or rerouted, and shall receive the concurrence of such other railroads before the rerouting or diversion is ordered.

(c) Notification to shippers: Each carrier rerouting cars in accordance with this order shall notify each shipper at the time each car is rerouted or diverted and shall furnish to such shipper the new routing provided under this order.

(d) Inasmuch as the diversion or rerouting of traffic by said Agent is deemed to be due to carrier's disability, the rates applicable to traffic diverted or rerouted by said Agent shall be the rates which were applicable at the time of shipment on the shipments as originally routed.

(e) In executing the directions of the Commission and of such Agent provided for in this order, the common carriers involved shall proceed even though no contracts, agreements, or arrangements now exist between them with reference to the divisions of the rates of transportation applicable to such traffic; divisions shall be, during the time this order remains in force, those voluntarily agreed upon by and between said carriers; or upon failure of the carriers to so agree, said divisions shall be those hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act.

(f) Effective date: This order shall become effective at 4:00 p. m., October 14, 1955.

(g) Expiration date: This order shall expire at 11:59 p. m., October 31, unless otherwise modified. changed, suspended or annulled.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., October 14, 1955.

INTERSTATE COMMERCE COMMISSION,
CHARLES W TAYLOR,
Agent.

[F. R. Doc. 55-8593; Filed, Oct. 24, 1955; 8:50 a. m.]